

Jennifer Brady

From: Brian Hickey [Brian@nytravelhost.com]
Sent: Thursday, December 17, 2009 4:37 PM
To: Brian Hickey
Subject: A Travelhost Survival Plan For 2010?

Hello Fellow AP's,

I'm sure all of you are concerned about things going forward with Travelhost into the new year at this point. With the recent layoffs, lies, and apparent inability to recruit new APs as fast as they are losing them...who wouldn't be concerned?

I've taken the time to come up with some very basic changes that can be made to the Travelhost business model, that might ensure a recovery from where we currently stand.

Of course, these are just some ideas, but positive ones, based on solid business sense. Perhaps adopting just a few, might allow us to be around at the end of next year? I'm sure many of you will agree.

You can take a sneak-peek at the plan on my new website:

<http://www.site.publishersadvocate.info/Plan.html>

Or my blog:

publishersadvocate.wordpress.com

The web site is "under construction," and quite simple, but it gets the point across. Which, is more than we can say for our very own Travelhost.com at this point.

If you have any questions, or comments on how I can make the site/blog better, please send them via the form on the contact us page on the website. Also, I hope to have the chat feature up soon, along with a link to my blog (publishersadvocate.wordpress.com), so that AP's can have a place to talk anonymously...without fear of retaliation from HQ.

Please keep in mind that the opinions in my blog, and on my website, are just that...opinions. However, to this day, I have yet to receive any information proving otherwise. If you or someone you know has any, please send it over.

I truly hope that everyone has a happy, healthy, and successful holiday season!

Regards,

Brian D. Hickey
Associate Publisher

TRAVELHOST: The traveler's guide to Westchester dining, shopping, and entertainment.

1517 Summit Avenue
Peekskill, NY 10566



Publishing Industry Practices

The Travelhost Magazine Business Opportunity Exposed...

Archive for November, 2009

[A Thanksgiving Travelhost "Speculative Analysis" To Consider Before Investing](#)

November 30, 2009

Brilliant 40 yr old "churn and burn" technology at it's best exposed...

These are some quick numbers to consider, when researching the **Travelhost Magazine** business model:

First, some basic assumptions:

1. The Travelhost network hovers around 100 AP's on average. (now? Not so sure.)
2. The Travelhost network loses about 33 AP's per year on average. (33% ? if not, prove me wrong)
3. The Travelhost network gains about 33 AP's per year on average. (33% ? with slick sales pitch)

*Each New Investor (AP agreement & AP distributorship) = **\$60,000** (includes two magazine printings)

So as a rough estimate, Travelhost grosses almost 2 million dollars per year, or (\$1,980,000) signing new AP agreements?? That does not include the other two issues they most likely print, before they go broke, using a one year average.

Add in the extra two magazines, for a total of 4 quarterly printings per year, and your average (new AP) is worth about **\$90,000** during the first year, if they make it a full year.

THAT BEING SAID, AND ALL THINGS BEING ASSUMED HERE:

Assume that Travelhost signs up 3 new AP's per month, for a total of around 36 per year. **They are grossing over 2 million dollars per year on the "churn and burn" technique.** Year after year, after year!

Add in the other 66 AP's at 60k per year in printing (another \$3, 960, 000...almost 4 million dollars) and you have yourself a **6 MILLION DOLLAR A YEAR BUSINESS??**

Of course, out of the 6 million dollars earned, one third of it is from TURN OVER.

This is a very important thing to consider, when looking at the Travelhost business opportunity!

Now, here's what we hope to accomplish with our efforts here at The Publisher's Advocate:

If we can just help *one* person realize that Travelhost Magazine's "Business Opportunity" is likely an *unprofitable one* for the **INVESTOR**, and profitable only for **TRAVELHOST**, than we can help **save investors:** time, energy, well being, opportunity costs, jobs, family, and **A LOT OF MONEY!**

This is why The Publisher's Advocate Blog is so important. It saves investors money.

I can't save **my** time and money at this point, or the **MILLIONS lost by countless others** over the course of the last 40 years, **but I can save other people from making the same mistake I made.**

I realize your time is as valuable as mine, and I appreciate you taking the time to read this posting. Good luck in finding the right investment, there are a ton of good business opportunities out there.

Respectfully Yours,

Brian D. Hickey

Brian@NYTravelhost.com

PS. I want to thank everyone for thier patience and understanding while we deal with this matter at hand. Even though it is my opinion that Travelhost puts it's associates at a **COMPETITIVE DISADVANTAGE**, some of you have gone out and made a good living for yourselves and your family. Even though Travelhost put me out of business, I remain confident that I'll bounce back, and make it happen out there. And, I wish the rest of the AP network all the best, as you embark on 2010.

Posted in [The Travelhost Information You Need To Know](#), [Uncategorized](#) | [1 Comment »](#)

[An open invitation for Travelhost to answer some questions about success rates:](#)

November 25, 2009

I have gotten many calls lately regarding the way Travelhost has been treating us associates, some for many years. I wanted to openly ask Travelhost a few questions, with the hope of getting some answers. This would also provide an opportunity for Travelhost to offer their explanation or rebuttals to some of the issues discussed he

blog.

Oh, and one more thing, if anyone would like to email me personally to discuss something written here on this blog, please do. I welcome all responses at Brian@NYTravelhost.com.

Keeping it very simple, Travelhost, please answer these questions:

1. How many "Associate Publishers" *currently* **PROFITABLY** publish Travelhost Magazine here in the United States? (please show us proof)
2. What is the **SUCCESS RATE** (likelihood of success/failure) for newly acquired investors (associate publishers)? (please show us proof)
3. Finally, why do you feel that your company is **NOT** subject to **Franchise Laws**? (please list the reasons why, and provide us proof)

3.5 After 40 years of being in business, why are there so few "Associate Publishers" in your network?

There are 15 states that have very strong, specific laws that franchises must follow and obey. Do you live in one of these states?

The States are: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Oregon, Rhode Island, South Dakota, Virginia, Washington, Wisconsin.

These fifteen States **and** the Federal Government have **Franchise Investment Protection Acts**. The acts are designed to mandate certain **disclosures** to people considering an investment in business opportunities such as **Travelhost**.

The key thing here is that these Acts place uniform **disclosure** requirements on Franchisers **before** the investment is made. They also have severe punishments to Franchisors who fail to make the required disclosures. Why hasn't Travelhost disclosed any of this information to us before we invested?

Are there any Travelhost AP's out there who were warned of the very high failure rate of Travelhost AP's?

The answer may astound you! Wouldn't you think, that investing 60k into a business that's got a national network going for over 40 years, one would have a **HIGHER** than average success rate? Isn't that what you **pay** for?

Wouldn't you have like to have known about the **EXTREMELY LOW SUCCESS RATE** *before* you signed on the line?

Travelhost, will you please shed some light on these unanswered questions?

We'd all like to know the answers!

PLEASE TELL US WHY WE ALL PAY SO MUCH TO BELONG TO THIS TRAVELHOST NETWORK!

WHY DO A THIRD OF OUR ASSOCIATES DROWN IN DEBT AND GO BROKE EVERY YEAR?

WHY DO YOU LET THIS HAPPEN, YEAR AFTER YEAR AFTER YEAR, AND NOT TRY TO CORRECT THE COURSE OF ACTION?

WHY DO YOU STRING THESE PEOPLE ALONG, UNTIL THEY ARE SO BROKE, THEY HAVE NO OTHER CHOICE BUT TO SIGN PAPERS THAT HOLD TRAVELHOST HARMLESS, IN EXCHANGE FOR *SOME MINOR CONCESSION*?

Posted in [Some Unanswered Travelhost Questions](#) | [5 Comments »](#)

Ripoff Report: "The Truth About Travelhost"

November 22, 2009

A former employee of Travelhost, who claims to have worked for them for over a decade, provides a fair and somewhat balanced report. While I don't agree with everything this person says in their post, they seem to have a reasonable grasp of what it's like to be an investor. They just watched from the other side of the line...the Travelhost side.

The bottom line: **They do not recommend becoming a Travelhost AP.**

Take a look: Taken directly from: <http://www.ripoffreport.com/book-magazine-publishers/travelhost-magazine/travelhost-magazine-no-support-756mp.htm> (A SPECIAL THANKS TO RIPOFF REPORT FOR PROVIDING A FORUM FOR PEOPLE TO DISCUSS THESE TYPES OF THINGS. THE PUBLISHER'S ADVOCATE JOINS YOU IN THE CRUSADE TO HELP PEOPLE MAKE INFORMED DECISIONS BEFORE THEY BUY, POTENTIALLY SAVING PEOPLE THOUSANDS OF DOLLARS AND WASTED TIME AND ENERGY.)

The Truth about Travelhost

Travelhost Magazine has been around for 40 years, and that alone should say volumes about the company. It has provided opportunity for countless people in both the Associate Publisher capacity as well as for numerous [employees](#) who have come and gone. I am one. While it is true that the main reason Travelhost is in business is to print magazines, they do strive to prepare potential Associate Publishers for what is lies ahead. True, much of the information is vague, the sales training is indeed outdated, and the stories of great success of a few of the publishers can appear misleading. Like with any company selling an expensive product, facts are often embellished and half-truths soon become myth. The sales and production teams here are an odd mix of oversized egos and blinded loyalty.

I worked for Travelhost in production, editorial and training for over a decade. I knew every associate publisher, many personally over the years, and most were very satisfied with their [investment](#). Yes, most new APs failed, and failed within months or the first couple of years, soon replaced with other investors. I often looked at the innocent faces of potential APs that arrived at the plant for the tour and the talk and wanted to say "Run! Take your money and run!" But that would go for any investment in any company. These people were mostly [college](#) educated (one I remember from Harvard), had business backgrounds and savvy, and were hardly naive. They walk into this opportunity knowing the risks, as this lady from Colorado should have known, and they take the risks and take the successes — or the hits.

I was laid off from Travelhost due to company politics and I could be bitter but I have chosen not to be. I have moved on to much better opportunities and do not regret a thing. If there was one thing I learned at this company it was not necessarily how to run a company, but how NOT to run a company. That in itself is a very valuable lesson. Would I recommend someone becoming a Travelhost Associate Publisher? Probably not. The initial \$40,000 investment (due up front) is only the beginning of the money drain to start up this business. This is a distributorship that needs to be carefully examined and planned for. There are definitely rewards if it works, but quick fail

Follow

you're not prepared.
Former Employee

One other note on this posting: David Portner, owner of The Palm Springs Travelhost AND CMO of Travelhost Inc., is a very successful AP, and has provided a rebuttal for the original post. He's one of just a few. Now...he's not lucky, he's very smart, and worked very hard to get where he is today. However, he still pays double for printing. (Unless he's compensated for his CMO position with free printing.)

Either way, it's obvious that **some** people value the Travelhost brand enough to spend an (estimated) extra 2-3000 dollars per month just to be part of this network.

It's his choice, but I'm thinking his readers would enjoy "Dave's Travel Guide" just as much, and his advertisers would get the same great results! And, he'd make even more money.

Posted in [The Travelhost Information You Need To Know](#), [Uncategorized](#) | [Leave a Comment »](#)

The Price Term Of The Travelhost Associate Publisher Contract...

November 21, 2009

Hello Everyone,

Thank you for all of your support. We have about 30% of the network in support of what's going on here, that's a great start. I'm sure more will follow. Together, we can make this a great company to work for! Until then, I'll continue to bring you the information you need...to make the right decision.

There continues to be **confusion** about whether I, along with hundreds of other people signed a crappy contract with Travelhost, and then belatedly complained because through **OUR OWN FAULT**, things didn't work out.

The truth is that in many cases APs own missteps may have led to their demise, **but those missteps did not include signing a lousy contract in the price term.** The only continuing misstep of the AP network and myself will be to let Travelhost continue to price 2 times wholesale when the contract, inconsideration of an "extra" \$24,000 gives the AP's wholesale pricing....Travelhost wrote a contract that is not to the owner's liking so he is choosing to ignore it.

From Jeff Loudon's December 2008 post of his "Travelhost Investor Blog" that was erased:

"Pricing for the printing is specifically referenced in my two contracts with Travelhost, Inc.:

Paragraph 1.1 of the Distributorship Agreement states:

"Distributor agrees to purchase from Publisher and to accept delivery of not less than _____ copies of each quarter of the Publication in accordance with the rate schedule attached hereto as Exhibit "AAA."

Paragraph 6 of the Associate Publisher Agreement, an option I chose for an extra \$30,000, modifies this price term to my benefit (?). It states:

" Publication Discount: In addition to the advertising rights referenced hereinabove... AP also shall be entitled at all times to wholesale pricing for the publication, notwithstanding the provisions of Exhibit "AAA" to the Distributorship Agreement."

We do not need to pay 2 times "retail" for to Travelhost printing. Our contract specifically promises otherwise."

One would only assume that WHOLESALE is less than RETAIL. And, we pay 2 times RETAIL...so how is that WHOLESALE????????????????????

For all you successful associate publishers out there, feel free to pay anything you want, I don't feel so generous to Travelhost at this point in time.

There are a few Travelhost AP's out there who don't mind paying extra, and that's OK if you believe the value is there...however, paying more than necessary for anything is not good business sense. Here in NY, 2500 dollars per month, for a title, is just not worth it

We are entitled to wholesale pricing, why aren't we getting it?

Posted in [The Travelhost Information You Need To Know](#) | [1 Comment »](#)

Some more Travelhost questions to ponder...

November 20, 2009

1. Why do so many associate publishers go out of business each year? And, why doesn't Travelhost tell us about these people?
2. Why does it cost so much to produce and print these magazines? What value do we get for this extra cost?
3. Why do we always have to sign an agreement with Travelhost that says we have to hold them harmless for every single little concession they make for us? Do you do this with your customers?
4. How many "Associate Publishers" are currently publishing Travelhost Magazine in the US? How many were there last year? The year before? Remember, Travelhost has been in business over 40 years!
5. Why has it taken so long to come up with a website that works?
6. Why does Travelhost make money from printing, and not from Advertising?
7. Why does Travelhost put it's AP's at a competitive disadvantage by forcing them to print pages they don't need?
8. Why does Travelhost blame every single AP for their failure, instead of taking accountability for their business model? If that's the case, why don't they pick better AP's after 40 years of doing this?
9. Why do they give you 2 magazine printings when you buy in? Why not just charge you half the price, and let you pay for the magazines when they are printed, when you've sold some ads?

Follow

10. Does Travelhost charge all AP's the same price for "publishing?" How much do you pay? Do you know what your competition is paying for the same type/quality/quantity? Check it out....

11. How many AP's limp along making very little money, if any, for years...until they just cant take anymore, and stop publishing? What happens to these people? Does anyone know?

These are enough for now...I look forward to your responses. I appreciate everyone's positive feedback, both online and offline. I never knew how many supporters I would have!

Posted in [Some Unanswered Travelhost Questions](#) | [4 Comments »](#)

Has Travelhost been in court over any of this?

November 19, 2009

They just may have. Another question best answered by pasting a copied portion of Jeff Loudon's "Travelheist Investor's Blog" from earlier this year:

"Travelhost has been beaten in Court before...Badly

This is a follow-up to my May 3rd post as it relates to the Barton case where Travelhost was sued in 2005. The outcome disappeared, but I seem to have some new friends. An anonymous writer sent me this press release. (below)

I specifically disclaim any representation that this is in fact accurate. However, I spoke with Theodore Anderson, the managing partner of the law firm, who confirmed that a jury did make a substantial award against Travelhost in 2006. He also did not deny the sum of \$588,000. He said it's a matter of public record. He also said that they later settled the case and can't say anymore....sounds like a typical TH arrangement to me.

"DALLAS, TX – April 12, 2006 – The Dallas County District Court for the 101st Judicial District a judgment for an award of \$588,000 plus court costs in damages for fraud, fraudulent inducement, and negligent misrepresentation in favor of John E. Barton and J. Barton Associates, Inc. against Dallas based TravelHost, Inc, whose Founder and Chairman, James E. Buerger, served one term on the Dallas City Council from 1989 – 1991.

TravelHost, Inc., a 38 year old, national publishing corporation based in Dallas with over 100 markets in the United States, filed suit accusing Mr. Barton, an individual associate publisher with a long and honorable military record, and his company of breach of contract and breach of a non-compete agreement. A jury found that Mr. Barton and his company did not breach the agreement, and found in Mr. Barton's favor on the counterclaims that he had been fraudulently induced into entering into the agreement with TravelHost,

Ted Anderson, Managing Partner with Kilgore Kilgore and lead defense counsel in the case, remarks, "With the economic utility of non-compete cases a subject of much discussion in the media recently, this case sets in motion an important precedent. David has triumphed over Goliath."

So, it appears that Travelhost HAS been questioned about past business practices. Thanks, Jeff, for explaining this to us. Was anyone made aware of this before they bought into their local market?

Anyone?

Posted in [The Travelhost Litigation You Need To Know](#) | [Leave a Comment »](#)

You're just one sales pitch away from your new TRAVELHOST business!

November 19, 2009

Jeff Loudon told the story well in his "Travelheist Investor Blog" that he had going in the earlier part of the year. He tells the story quite well, and explains the circumstances better than I could, so why not just quote Loudon on this one. I copied that blog before it disappeared, thankfully, so I can bring you the info you need to know...Before you invest!

"The sales technique."

"Upon reflection, the biggest deception is the TH sales technique. I must say it is a thing of beauty. I get called by a person from TH that has reviewed my resume on Monster. "You know Jeff, we were very impressed with your unique credentials, you know, we are extremely selective, but you just might have what it takes to become a Travelhost AP."

In a subsequent conversation I'm told that about 1 out of 100 "applicants" are invited to Dallas and "about 1 out of 10" of the interviewees are "offered a distributorship."

The concept sounds great so I head to Dallas on my own nickel for an "interview" for a perfect sounding endeavor. Pre-interview I get nothing but a slick brochure talking about how TH is such a great deal if you have what it takes. (Well, I also received a sample of "good magazines." These were Ft Lauderdale, Orlando, Daytona Beach and several others...strangely, upon reflection, these were "successful" magazines....they must print many extras of these!). Note: I also received the contracts in advance of the "interview."

Obviously, I have received no franchise disclosures and I'm pretty excited because this really sounds perfect. I have the initial interview with two nice guys who tell me more about TH and then comes the moment of truth...an hour and a half interview with the company chairman, "Mr. Buerger," to see if I can persuade him to let me become a distributor...absolutely a beautiful set-up.

Phew...I find out early next week that I made the cut and am being offered the opportunity.

Here's the beauty of it: How many of you in a "job interview" that you've paid the better part of \$1K to attend, are going to ask the "Chairman" :

- * How many times have you been sued?
- * What's the failure rate?
- * Please give me names of everyone who has failed nationally?
- * How many times has my market gone dark? Who were they?
- * Gee, the plant tour where you showed me how cheaply and efficiently you can mass-produce Travelhost was impressive. I take it based on your unambiguous promise in the AP agreement about getting wholesale pricing, that you aren't going to charge 2.5- 3 times wholesale for printing?

Follow

- * What is the real success rate in selling these 2 pages of free national ads?
- * How many APs in the last 5 years have collected the supposed 40% commission for placing national ads?

My guess is that some smarter people than I asked those questions and were summarily booted out the door, minus the “opportunity” and minus \$1K

My point is, this is the essence of deceit, all of it in my opinion. If it’s a franchise, it is unlawful deceit. I also believe that it might be “unlawful deceit” even absent franchise law protection.

Posted in [The Travelhost Sales Technique](#) | [Leave a Comment »](#)

“Where in the world” is Jeff Loudon?

November 14, 2009

Part of my inspiration for this blog, was a good friend and colleague at Travelhost named Jeff Loudon, from Yakima Washington. Washington Wine Country!

In the earlier part of this year, Jeff and I were discussing some ways to make our businesses better, and some ideas to make the Travelhost network even stronger. After being encouraged by Travelhost to continue our efforts, they went mostly ignored. So we started asking ourselves, why wouldn’t Travelhost want to apply basic business principles, to make the business stronger (and more profitable)?

Well, the answers became clearer as we dug deeper into the Travelhost business model. See, Travelhost was making their money as a printer, but claims to be a publisher. What’s the difference, you ask? Well, publishers mostly make money from **ADVERTISING**. Not **PRINTING**. (Travelhost is given away free at hotels, so most people don’t sell subscriptions to this particular publication.) So we dug deeper...

Why wouldn’t Travelhost want to make money from **ADS**, like every other publisher? Well, because they’re overcharging the people who actually “publish” the magazine for **PRINTING**. See, the “associates” go out and sell the ads, create and gather editorial, and pay for the production and printing up front. (All at approximately 200% over retail pricing.) Retail, meaning what anyone would pay, if they went to a commercial printer. Not to be confused with wholesale, which one would assume to be a lesser price. A price that all Associate Publishers are entitled to in their contract with Travelhost, by the way.

So it became clear. Travelhost made its money from the unsuspecting associates, not advertising. No wonder they didn’t care if we could actually **SELL** advertising. Their business model didn’t call for it, as long as your associates credit card cleared its payment, all is good.

After discovering all of this, Jeff Loudon set out to clear the air...he questioned the executives at headquarters, he started a blog, and questioned Travelhost on its practices. He questioned our “wholesale pricing” that we’re entitled to. He questioned about following **FRANCHISE LAWS**. He questioned about **DISCLOSURE** to the associates. (It was our opinion that since there’s a difference in price between what we would pay at any commercial printer, and what we pay at Travelhost, then that would be considered a “**FRANCHISE FEE**.” For this franchise fee, many thousands of dollars extra, we received very little benefit. If any. Definitely not worth the money we were paying. So....he emailed the entire network of publishers, and told them about this.

Jeff Loudon was foaming at the mouth like a rabid pit bull, ready to sue Travelhost in court for misleading us all! Misleading us on our pricing, misleading us on key facts that should have been told to us before we invested in this venture!

And, then...**POOF**.

Jeff Loudon disappeared!

Like magic!

Hmmmmmm. Why would a guy like this, just all of the sudden...be quiet? And carry on, as if nothing ever happened? When you call him, he’s not interested in discussing Travelhost. Yet, he’s still a publisher in the **TRAVELHOST NETWORK!!!!** He doesn’t want to make things better! He doesn’t care about being overcharged? He doesn’t care about **DISCLOSURE**? What’s going on here?

Anyone have any ideas out there? What happened to Jeff Loudon?

Anyone know “where in the world is Jeff Loudon?”

I have some ideas, and will explore them soon. Stay tuned!

Posted in [Some Unanswered Travelhost Questions](#) | [2 Comments »](#)

On the subject of Travelhost...

November 6, 2009

Here’s an excellent response by an ex-associate publisher of Travelhost:

10 Tips to Assess Whether You Should Become a Travelhost Associate Publisher

I launched my edition of Travelhost of Rochester & the Finger Lakes in June of 2006. In the training class, there were about a dozen of us launching eight separate editions across the U.S.

Now, only 1 out of 8 is still publishing. I’m 1 of the 7 who is not. I invested my life savings, took a leap of faith and I did not reap the benefits I believed I would. The net did not appear.

The first thing I want to share is that I **LOVED** being a Travelhost Associate Publisher. I felt I was making a difference and doing something important. I made friends and met people I’d probably never have known before. It was a great learning experience. And my edition was successful...in every way but financially.

My hotels loved the magazine, my advertisers loved it and the readers I heard from adored it. I learned these lessons and I’d like to share them.

1) Be sure you know what business you are going into. If you decide to buy a Travelhost edition, be sure you go into it with both sales skills and publishing skills at the outset.

Follow

After the edition closed, a friend asked, "Carol, what business did you think you were in?"

"I thought I was publishing a travel magazine," I responded.

"Did you have subscribers?" He asked.

"No. Hotels, inns and B&Bs and travel stops got copies of the magazine for free."

"So your only revenue came from advertising. Then what business were you really in?" He asked

"Ad sales," I responded glumly.

I was an experienced publisher and editor.

But I had no ad sales background when I started. I quickly realized that if I were going to succeed, I needed to learn quickly. I studied sales by reading, attending classes and taking training. I invested in my education and really worked at it. Former advertisers have said I was one of the best ad salespeople they knew.

2) Search the web for information about their reputation and information about the strength of their brand.

After becoming an Associate Publisher, I attended the NYS Governor's tourism conference with 300 tourism professionals. I was surprised how many had never heard of the magazine and those that knew of it said, "Oh, that magazine with the high turnover."

3) Understand what business TH is in. They are in the printing business. Their model is a way to keep their printing presses full. Get quotes on what you would pay for retail printing locally and compare it against the company's quoted prices for printing. Had I done this, I'd have found that I was paying more than double what local printers would charge. Do the same for shipping and distribution costs. I found substantial discrepancies between the estimates provided and reality.

4) If you do decide to "go for it," get it in writing that your content cannot be used online if your market closes.

5) Questions to ask:

a. Associate Publisher success rates. Listen and get facts.

b. How many failed publishers were in your market before you? When? Ask for their name and contact information. If these aren't shared, think carefully.

c. Talk to the person who owned the market before. What is the real reason s/he gave it up?

d. Find out how many editions are actually being published in your state. If you find an edition online but there is no name in the welcome letter or the masthead, chances are, it has gone dark.

6) Do not anticipate that you will be able to sell regional or national advertising.

7) If you can't launch your magazine, do not expect to get your money back.

😊 Anticipate that success is a long-term investment. Are there successful associate publishers? Absolutely! Some are wildly successful. Most started a long time ago or purchased previously successful editions.

9) Be sure to look at their website. Is it using current technology? Will it serve the needs of your customers? If you're not sure, ask a local marketing expert for their opinion of the site.

10) Remember that starting a business is very hard work. You are running the company, selling the ads, probably writing much content and doing all the work. I worked 75 to 80 hours every week, and there just wasn't enough of me to go around.

Do your homework and hopefully you will find the right opportunity. Keep an open mind but be cautious and remember, this is business, not personal.

It took me about a year to move through the grieving process over loss of a dream. Many smart, savvy, dedicated entrepreneurial associate publishers I know personally have lost tens, even hundreds of thousands of dollars, their homes and their financial security. Like me, they all expected to succeed. A failed edition can seriously affect your personal life, your credit and your peace of mind. If you come to the end of your money, do not go into debt for this venture. Cut your losses and move on.

Be sure to think about what you'll do if you don't succeed. Understand the financial obligation you are making and be clear about your expectations and what you'll do if expectations are not met.

Posted in [The Travelhost Information You Need To Know](#) | [4 Comments](#) »

• Email Subscription

Enter your email address to subscribe to this blog and receive notifications of new posts by email.

Join 28 other followers

"

Sign me up!

• Blogroll

- [WordPress.com](#)
- [WordPress.org](#)

• EMAIL THE PUBLISHERS ADVOCATE

"



Follow



Publishing Industry Practices

The Travelhost Magazine Business Opportunity Exposed...

Archive for December, 2009

[« Older Entries](#)

Dear Travelhost Associate Publishers...What's YOUR Number?

December 30, 2009

I'm pretty sure I used to be a "number 1." That was somewhere around the time I was asked to sit on Travelhost's Advisory Board.

Now...well, now I'm most definitely a "number 3."

There's a good chance, if you're a regular reader here on my blog, that you're probably at least a "number 2." It may depend on how many "red flag" words you've used in recent communications with Travelhost in Dallas.

What's all this mean, Brian? What are you mumbling, something about numbers?

Well it seems that our friends down in Dallas at Travelhost Headquarters are very "organized" at covering their asses, and assessing us AP's for our "Travelhost Friendliness."

Yes, that's right, assessing us. See, it's been brought to my attention recently, that Travelhost assigns all of us AP's a number, according to how "risky" the relationship is. If you're a low-risk, happy with Travelhost, and not concerned (or aware) of the fraud...then you're a "number 1."

If you've raised some concerns over their (lack of) business ethics, overcharging for printing/production, or just plain called them out on their corporate bullying...then you're probably a "number 2." (Call yourself an "investor" or a "franchisee," that ought to get you on "the number 2 list.")

And, if you're like me, and you've just plain had enough...enough to *publicly call them out on their actions*, and demand they do something about it...well then I'm probably a "number 3." (meaning high-risk, keep an eye on him!)

Why would Travelhost assign every AP a "risk number?"

Well, when you're used to having to covering your ass, everywhere you turn...I suppose it's a great tool for measuring your "temperature" on a weekly basis.

Yes...weekly.

Did I mention, that Travelhost also has weekly meetings, every Tuesday morning...to assess markets "under watch," and assign "damage control?"

For the poor folks going broke every month (around 3 on average), there's a meeting to ensure all bases are covered...and to talk about who might be a problem from a legal standpoint, etc...when it's time to sign the "**pots right**" agreements. (meaning, they hope you're so broke, that you sign away your ability to go after them...for a lousy concession.) (watch your emails with Travelhost, it appears they copy and paste each one for your file, in case they need it later.)

It's all part of the grand-scam. They cover their ass, so when you go broke, which you inevitably will...they're covered.

One last question for the day...

Why does a (relatively) small company like Travelhost have a corporate lawyer on staff anyway?

Any company that operates ethically, within common business practices, would most likely utilize a local law firm...when they need them.

I suppose Travelhost relies on legal council every day of the week, with their track-record...eh?

Posted in [Some Unanswered Travelhost Questions](#) | [5 Comments »](#)

How Many Associate Publishers In The Travelhost Network Are "Serving The Traveler?"

December 28, 2009

And, are they really put here by Travelhost to "**Serve the traveler?**"

There has been some speculation lately, as the number of AP's seem to be dropping quite rapidly...let's take a look:

A recent effort was made, and reported that Travelhost may have lost over 40 associate publishers in 2009 already!

No one really knows the exact number, except for the folks down in Dallas, who are keeping the "files" close to their vests. And those files are closely guarded, you can rest assured! (psst..Travelhost, don't show those numbers to new *investors* (prospective franchisees) or they'll run for the hills!)

I've received quite a few emails lately asking this question, and since I don't actually know the real number of AP's left (afloat, and not broke), I can only shrug r---

shoulders and say “your guess is as good as mine.” Well, some people have been doing research, and the numbers ain’t so good...

I did notice, however, that the new media kit doesn’t say anything about 125 markets anymore...which is good, because I believe there are less than half of that left at this point. And, we all know that trying to sell national advertising by inflating the number of markets is basically **FRAUD**. (as is misrepresenting the number of markets to prospective AP’s) Hopefully all the AP’s have scrapped the old media kit, and are now selling “regional and national” ad space using the new (and quite vague) Travelhost Media Kit. It’ll be a tough sell, when they ask “how many markets are you in?” Not knowing won’t help, but not misrepresenting...well it’s a good place to start!

Let’s take one last look at Jeff Loudon’s posting, from his “Travelhost Investors Blog” that was up and online, before he mysteriously disappeared some time around the second quarter of 2009: (apparently his silence was bought, at a hefty price, cause HE’S STILL PUBLISHING WHAT APPEARS TO BE **3 ISSUES OF TRAVELHOST PER YEAR IN YAKIMA, WASHINGTON, SOMETHING I NOTICED A COUPLE OF OTHER AP’S SEEM TO BE DOING AS WELL**)
“135 Associate Publishers” and Growing: Fraud? Breach of Contract?

Perhaps a smart lawyer might mirror my thoughts, perhaps not. I do not claim to be a licensed lawyer...some drivell from a “layman.”

It dawned on me this morning in the shower that the claim of 135 APs perennally by Travelhost in its sales pitches, sales materials, Careerbuilder.com and website has considerably more import than just to highlight just how bad the success rate for franchisees has been. (Note: I made copies of Careerbuilder and the website in case TH “ceases and desists” this misrepresentation in the dark of night)

The size and growth rate of the network strikes right at the heart of being induced to be a franchise by TH and in the nature of what is being bought for “AP status.” Travelhost induced me to become an AP because it touted itself as a growing 135 region, national publication. My guess is that the same representation has been made to everyone subsequently, to this date, and perhaps before mid-2006.

Based on my guess in reviewing the TH website, there are now only 88 markets running. So in the first instance, recent APs have arguably been induced to the Travelhost umbrella by a misrepresentation of the size of the network. This might be characterized as a “misrepresentation” or “fraud.” Either of these things, if proven, give rise to significant remedies to APs. Furthermore, the “pot’s right” (waiver agreement in Travelhost parlance) that TH mandates most APs sign on departure to avoid even more grief might not apply if fraud is proven. (Note, watch out you get a bill for an additional printing if you don’t notify TH 90 days in advance)

It gets a bit more interesting when you analyze the benefits conferred under the AP agreement: Having been told that TH is “national” and in 135 markets...and growing you fork over \$30,000 for 2 free pages of National ads to sell and pocket the proceeds, supposedly \$72,000 worth. You are promised a 40% commission on the revenues of national ads the AP sells thereafter as well, something that has been accomplished extremely rarely. (You also get “wholesale pricing” which as previously posted, is untrue in my opinion)

Once you happily go out in the street as a new AP and try to sell the national ads, you find out that TH hides the data on existing market quantities and components...ie how many and where. It also has hidden the fact that there are far fewer than 135 markets operational, for which the AP is trying to pocket \$36,000/month/page on an ad sale. The net result is that virtually nobody successfully sells the free 2 pages of Natl. ads or other national or regional ads.

(A strange aside to this: If an AP did successfully sell these ads through a claim of 135 markets nationally, the AP could be sued for misrepresenting 135 markets to the advertiser...yikes!)

Bottom Line: The AP pays \$30,000 extra for the right to sell national and regional ads for a 40% commission to “135 markets.”...not. The AP gets 2 free ad pages (worth \$72,000) published in 135 markets...not. The AP gets “wholesale pricing” for the \$30K...not. (The AP gets Exhibit XXX pricing that is the same as non-APs’ pricing... appx.triple retail)

What’s left for your \$30K: The marvelous website (subject to massive fees) A free regional ad based on circulation, that rarely garners any revenue.

You’ve heard enough layman talk...talk to a lawyer if this stuff is interesting, before or after you invest. Stay tuned, we get into the “Franchise Laws—a Layman’s Perspective” and were are going to have some nice posts from former APs forthwith!

SO, HOW MANY DO WE HAVE NOW?

Now, when Jeff Loudon wrote this back in March of 2009, nine short months ago...his research led him to believe there were 88 markets.

How many could there be now? Seems like the numbers just don’t add up to much, doesn’t it?

I mean, **if we lost 40 markets this year**, then around 3.3 were lost each month. So, by March we had already lost **10** (3.3X3)...and by now we must have lost another 30? (3.3X9) So, is it possible that the Travelhost network is operating on only **58** markets now? Is that possible?

I’m sure the steady income from the Florida markets, and some of the key destination places in America like Branson and Palm Springs will keep Travelhost going...but what about the rest of us?

What’s in store for the smaller markets that Travelhost “serves?”

And, why does Travelhost continue to try and “serve” these markets, if all they do is go broke time after time after time again?

Does anyone have a solution for any of this?

Does anyone have any information as to how many markets are currently being “served” by Travelhost?

If so, please send the information to my attention: [EMAIL THE PUBLISHERS ADVOCATE!](#)

Does Travelhost really exist to “Serve The Traveler” when their markets go belly-up all the time?

How do the travelers benefit from Travelhost, when the magazines fail in so many markets every year?

So, is it really Travelhost’s goal to “SERVE THE TRAVELER?”

OR IS IT JUST ANOTHER BULLSHIT EXCUSE TO HYPE UP ADVERTISERS AND ASSOCIATE PUBLISHERS?

I’D HARDLY CALL **58 MARKETS “SERVING THE TRAVELER,”** PERHAPS TRAVELHOST SHOULD COME UP WITH A NEW CATCH-PHRASE?

HOW ABOUT: “SERVING THE PRINTER.”

Posted in [Some Unanswered Travelhost Questions](#) | [Leave a Comment »](#)

Follow

[The Money You Could Be Saving...](#)

December 24, 2009

if you weren't publishing your magazine with TRAVELHOST.

It's a bit funny, and sounds like a joke, but its the sad reality for all of us associate publishers at Travelhost. **We pay double what our competitors pay for printing and production.** I guess you could say it's part of our "ongoing royalties" paid to Travelhost for using the name?

Now, paying double is enough of a competitive disadvantage that Travelhost forces us to endure, but let's take a look at this from a percentage standpoint.

Most franchises charge a percentage of gross sales as a franchise fee, or royalty. Most range from 4-12 percent of gross, as per franchise.com. When you consider the average gross sales of a Travelhost associate publisher compared to the difference between the real cost and what we actually pay to Travelhost...WHOAH! Houston (Dallas)...we have a problem!

If the average AP over pays Travelhost about \$8K per quarter, or \$32K per year...and grosses around 100k per year, they're paying a **32%** royalty to Travelhost!

Now, how do I know most AP's do only 100k per year in gross sales? Well, the majority of AP's go broke in a year or two, which means they're losing money, right? After you add business expenses such as shipping, distribution, postage, gas, selling expenses, etc...most AP'S are either at break even, or losing money. *It's that close.*

The interesting thing, is that if most AP's were publishing elsewhere, they'd still be in business! That extra 8k per quarter is a hefty fee, that cripples most (not all) our network. Ask any small business owner what 32k means to them per year...**it's sink or swim!** Except for those doing exceptionally well...which brings me to another point:

What about those in the Travelhost network doing really well? Those people in the Florida markets, and other cities that host major attractions?

Let's consider a market that bills out 1.5 million dollars per year. How much does that person pay as a percentage, in royalties?

Even if that person is overcharged twice what the rest of the smaller markets are overcharged, say...64, 000 dollars per year, they're only paying 4.2% of gross sales. (64k/1.5mill) Wow...that's right in the ballpark of the average now. But, about 8 times less than the rest of the network?

So here's how it is, in case you've been "skimming," and not reading carefully folks...

- If you have a **very successful Florida market**, and bill over a million dollars per year, you pay **4 percent** as a royalty.
- If you have a **very small, unsuccessful market** (90% of the US) and bill out a hundred thousand dollars, you pay **32 percent** as a royalty.

Does anyone see anything wrong here?

In my state, New York, it's against the law to do this. And, I suspect it's against the law in quite a few other states too.

If you'd like to make a formal complaint to the FTC, click the link below. You won't be the first to complain to the FTC about Travelhost, and you certainly won't be the last.

<https://www.ftccomplaintassistant.gov/>

A POTENTIAL ANSWER TO THIS PROBLEM?

Perhaps those who do well in Florida with the Travelhost business model would like to pay **32 percent** of *their* gross to Travelhost like the rest of us, before they brag about the Travelhost opportunity, and how it made them rich?

Well...I'm not all that upset at either one of our complaintants (2), really. I never begrudge someone because of their success. However, not every market in America is so perfect for Travelhost. Selling Carvel in Antarctica HAS to be harder than selling it in Florida, right? Markets that attract a lot of visitors value those visitors much more, than markets who don't see nearly as many. That's part of the challenge selling Travelhost ads in a non-vacation area.

I'd be upset at this blog if I was one of the select few who made money from this scam too, I suppose. I suppose I'd bury my head in the sand too, and ignore what I've seen and heard for the last 20 years.

Or, would I?

I suppose my conscience would bother me, and I'd be unable to sleep at night. I'd have to tell what I believed to be the **TRUTH** even though it might make my business less profitable. Why...not only because it's against the law, but because I have a conscience!

Which, is not something everyone in this network has, apparently.

WHY IS TRAVELHOST SO SCARED OF THE TRUTH ANYWAY?

We'll talk about that one in our next post.

Happy Holidays, everyone!

Posted in [The Travelhost Information You Need To Know](#) | [Leave a Comment](#) »

[Travelhost's inside back cover ad, a second look...](#)

December 22, 2009

Here's a snapshot of the inside back cover of every Travelhost Magazine out there.

Has anyone actually taken the time to read this ad?

Follow

change...

Most people who think about changing jobs actually only want to change their lifestyle... and simply use the knowledge they already have to make it on their own.

The female head of household - single or not - who wants to finally get into the driver's seat of her own future and for whom she is responsible. She's the woman whose passion and dream has little or no time and even less patience for those patronizing glass ceilings or agonizingly long career waits and empty promises.

The couple who finally begin to realize what all their friends have known all along - that they have an incredible chemistry together. They click. Always have and always will no matter what. What a natural partnership for being in the business for themselves - as a team.

The road warrior who's as comfortable in catching three planes next Thursday alone without missing a single text message or email as they are making every sales projection that has ever been thrown at them. These ambassadors of the asphalt achieve their goals whether they are in business for themselves or not - but realize life on the road leaves no time for home and family.

The world conqueror who just wants to return home. They've gone to the big city - conquered it - sat on the top rung of the ladder and had it all - but for someone else. Now they want to downsize and be on their own - with only two simple rules: 1. They want to wake up and hear a Mockingbird or Robin chirp outside their window and 2. They want to own a fun business. They can build - be the big fish in the little pond - one that will let them climb the ladder as high as they'd like - right in or right near their own hometown.

TRAVELHOST has had a very simple business model for more than 40 years. We look to select entrepreneurs to become our local Associate Publishers & Distributors in cities all throughout North America - entrepreneurs who have the drive and passion to succeed in a business they are totally committed to and enjoy.

If you have the passion and goal to get in control of your own future - Call (800) 527-1782 or email info@travelhost.com now for more information.

Travelhost has the same 40yr old success strategy...

It appears that what Travelhost Magazine is "selling" is the "freedom" of entrepreneurship.

Freedom?

It seems, after talking to many Associate Publishers, both present and past, that what you get from Travelhost is more along the lines of a **JAIL SENTENCE!**

There's nothing FREE about this opportunity. At all!

And, they're marketing themselves to "single mothers?"

With a 90% chance of failing, Travelhost markets their "business opportunity" to single mothers?

Travelhost ought to be ashamed of themselves!

Posted in [The Travelhost Sales Technique](#) | [5 Comments](#) »

[This One Is For The Travelhost Associate Publishers...](#)

December 21, 2009

On Friday, our entire Travelhost network was sent out an email from David Portner, the CMO/secretary? for James E. Buerger, regarding the Travelhost business model.

Make no mistake, this letter was *all about* Travelhost Inc. in Dallas.

Not the AP's of the Travelhost network across the country!

What do I mean?

I mean, Travelhost Inc. was born in 1967, and is now almost 43 years old. Congratulations.

They survived this long, by living off the backs of the hard-working AP's of the network. Making money from printing *and AP turnover*. Remember, turnover accounts for nearly 1/3 of it's income every year!

This business model "worked" for Travelhost Inc.

But how many AP's are left from 1967?

In fact, how many AP's are left from 1997?

How about 2007?

With the exception of maybe 15 or 20 APs, in the top destination areas of the US, most just come and go. At a 30% turnover rate, every three years, Travelhost has a "relatively young" network.

This business model seemingly works for Travelhost Inc.

Follow

But, does it work for it's network of AP's?

AP's have about a 90% chance of **FAILURE** with the current business model. The one that's lasted Travelhost 43 years.

So, while Travelhost could continue to thrive on AP turnover for the next 43 years, it will do so at the expense of another **THOUSAND** or so entrepreneurs.

Is that really the "right" business model?

Posted in [Uncategorized](#) | [1 Comment »](#)

[Travelhost Survival Plan for 2010: Several Small Changes To The Business Model To Ensure The Future Of This Business:](#)

December 17, 2009

The situation: Down to about 80 markets and falling fast, TH is in deep doo-doo. The "churn and burn" method of recruiting markets that once earned TH a cool 2 mill per year, isn't happening anymore. The network is shrinking, the value isn't there, and the business model needs to change...or the business will die.

Here's a quick conglomeration of ideas that I put together, to help get TH back up and on its feet for 2010. These ideas are basic business principles, that any student enrolled in business 101 might read about in one of their textbooks. No high tech calculus here, no nonsense, just basic stuff.

I think that most will agree that we have a good start here, and plenty of room for improvement. With the exception of Jim Buerger, of course, but even he won't be able to argue that these things don't make perfect business sense. Though, he has been doing things his way for so long, even the basics may not make sense to him now.

It is my hope, that TH will consider this information, and be open-minded enough to change for the better...to "better serve the traveler." Or, face the consequences.

(This information is also available on our new website: www.publishersadvocate.info) just click on "A Plan That Works"

1. Admit there's a problem.

Realize that this model won't work anymore, and move past it. Admit you're a franchise, and stop violating franchise laws. Create a good business, and the UFOC won't be such a scary thing. You won't have to hide things from potential investors, and cover your tracks all day. Instead, you can focus time, energy, and resources on solid business principles that will BUILD the business, not tear it down.

2. Stop charging AP's double for printing and production.

Charge normal market rates. This will ensure new AP's will have the best possibility of success, and will allow TH AP's to compete fairly in their local markets with other publishers. This will also help TH build the number of AP's well beyond the average 125 mark that they've been stuck at for so many years. Sure TH can mark the cost up "some" for the brand value (it will one day develop), but 2-3 times? Nope.

In my estimation, TH could easily have 350 profitably operating markets, in every nook of the country. Then, TH can make money from selling advertising, like it should. The TH penetration will be so high, that there will be actual value in regional and national advertising.

*If TH is unable to print magazines, due to antiquated printing presses, etc., it might make more sense to print elsewhere. It would be less expensive to the AP, if they could print somewhere regionally. Shipping would be less, and overhead for TH would be less. No need for a giant warehouse, and printing personnel. A win-win for everyone involved?

3. Allow the AP to be flexible with page count, press run, print frequency and quality.

Flexibility is the key in an unstable, slowed economy. Printing 48 pages because you're contractually obligated is highly detrimental to the AP's business. If sales call for a 32 page magazine, allow the AP to print 32 pages. It's that simple. All of our competitors are printing less pages, less magazines, and decreasing quality where needed, in order to ensure their survival! Also, allow AP's to print 2-3 issues per year, where there is no business during the Winter. (some markets are already doing this, if you look closely. Flint and Boise? Maybe Jeff Loudon in Yakima, Washington...his last issue said "Winter" and it came out in early October? I'll be watching for a new one soon)

High-end markets like Chicago, Boston, Phoenix, Los Angeles and others have been begging for a better quality paper for years, if not decades. They are willing to pay for it (not with the usual 500% TH mark-up). These markets need a better paper and a better modern and traveler relevant look to get into nice hotels. How can we get this through Mr. Buerger's head? (Business 101...provide what your "customers" need!) Good Luck!

4. Create a win-win situation for royalties.

Instead of just grossly (obnoxiously) overcharging TH franchisees, create a system where TH takes a (small) percentage of gross (or net) sales. This way, it's mutually beneficial for both AP and TH for each and every market to do well! It's the way most franchises are set up. Not 35% of sales...how about 5% like Subway? (If it is to continue at 35+% TH needs to warn people upfront...or I will)

5. Sell advertising, not printing.

As market numbers increase from these simple changes, advertising will become easier to sell. As local markets surpass 150-200 markets, more companies will buy ads, because the entire country will be penetrated with TH magazines. You then have a publishing business, not a printing business. A business where everyone makes money from well placed advertising.

Implement a national ad sales plan immediately. Hire one person to work in Dallas at HQ, to sell ads regionally and nationally. Come up with a fair and equitable split, (even a cut for TH HQ and the sales guy, of course) and everyone will be making money!

6. Improve the product.

As stated above, if TH can't print nice magazines, print them elsewhere. A perfect bound, local-covered edition of Travelhost magazine would better serve the traveler. And that, after all, is what we are out to do, right? Why let our competition run with better products just because we have an old printing press that's paid for.

Improve and FINISH the website and mobile device software. It doesn't have to be PERFECT, just finish it. We have been beat out by "Where" twice, with a functioning website, and now mobile device service on MULTIPLE devices. Beat to the punch, because time and resources are shifted to market expansion's churn and burn (and CYA) efforts. Spend the time and money where it will have an impact on the business!

Mr. Buerger, Lawrence Welk is long gone. So is the style of that era, A style you seem bound and determined to retain. Listen to the Advisory Board and the screaming chorus of your "customers," the AP network.

Follow

7. Travelhost overhead reduction. (not the way it was done Tuesday, by the way, 10 days before Xmas)

TH HQ will not need as much staff, with: no printing presses, less production people (as production builder is finished and implemented) and less executives running around recruiting/covering their asses for fraud...TH can run a national company on far less people this way.

Without the "churn and burn" method of finding and constantly replacing of new associate publishers, you will build an organization of hundreds of successful, happy, profitable PARTNERS IN BUSINESS. Earning money the way a publisher should: with a good product, good placement, good people, good advertising, and actual business ETHICS. No need to look over your back anymore, when you're doing the right thing!

And, no need for a in-house corporate lawyer making a quarter of a million dollars per year either. With normal, ethical business practices, a company like Travelhost shouldn't need a lawyer on staff! Especially not to the tune of 250k, where the "associates" who are being burned pay for it!

Best of all, Mr. Buerger, you might have at least a slim chance of an "upgrade" in your afterlife...if you get the drift? I can tell you that you could really use one. IMHO

8. Utilize TH resources better.

The entrepreneurial group that TH has recruited, has some of the smartest, bravest, most creative people on the face of the Earth. This time, truly PARTNER with them. LISTEN to them, and consider making improvements to the business. (Just because they were tricked into what has historically been a rip-off, doesn't mean they are stupid people)

What worked 40 years ago, might need some changing to work today. Be open minded about change, and embrace it. It will be the only way to ensure the survival of this potentially fantastic business. The model doesn't work right, and ya'll know it. Do something about it, or TH will soon fizzle out, like the hundreds (thousands) of AP's from over the years.

Finally, in the information age as at present, you are in fact going to have to treat the APs as customers...not unpaid, low-grade employees. As you can undoubtedly see, somebody like me is going to make your life miserable until you radically change. (or somebody like a judge in a class action suit?)

It's up to TH to drastically change. I'll be glad to erase this when the steps are put in place.

Posted in [The Travelhost Information You Need To Know](#) | [2 Comments](#) »

TRAVEL-GHOSTS?

December 16, 2009

What is a Travel-Ghost? I believe Jeff Loudon best explained it in his Travelheist Investor Blog earlier this year:

"The Living Dead" Travelhost's Secret to Market Share...

"Travelhost still proudly boasts that it is in 135 USA markets. Check out its website and all of the intros to cities. Well, I hate to be picky, but this isn't quite correct. OK, let's not mince words...it's outright false. Travelhost is presently alive and well in 80 markets.

To be fair to Travelhost, the website does depict 150 destinations. The only problem is that 62 of the destinations are what I characterize as "the living dead." These are issues that no longer publish and are no longer in hotel rooms. On average, they died 1 year ago. Travelhost simply appropriated the online version of these mis-fortunate APs that have failed in the last year on average. (my estimate).

You can easily see the "living dead." The names are omitted from the masthead and the welcome page. The issue date is usually entirely removed as are any dates on ads and content. We spent several hours over the weekend tallying every destination in the nation on Travelhost.com.

A casual visitor will find 258 destinations. About 1/3 of the time, a click to a destination will lead to an alive and current edition, 24% of the time, the reader (or prospective new AP) will be tricked by reading a "living dead" issue and 43% of the time no destination will be found.

Two things really disturb me about this:

First: I find that I've been lying when attempting to sell regional or national ads. In my region, I've been touting markets like Boise, Spokane, Santa Fe and Boulder, among many others, as being alive. The truth is, that in the entire Western US, region, exclusive of California, there are only 11 living markets, including mine.

Secondly: The mortality rate of APs is staggering. As previously mentioned, there are 62 "living dead" Travelhost issues on the Travelhost website. The website was started 2 years ago, so none of these roadkills are more than 2 years ago. My guess based on a careful review is that more than 45 APs lost their investment and "failed" in the last year...more than 50% of the remaining "network." This also confirms my failure rate over the past 3 years that is substantially greater than the new APs brought into the network.

The Living dead-- a virtual memorial

Albany/Saratoga Albuquerque Atlanta Augusta Big Sky Country Birmingham Black Hills Boise Boulder Co. Buffalo/Niagra Central Northern Oregon Coast Central/South Jersey Chicago-Far West suburbs Columbus Ga Council Bluffs-Midland Dallas , Scranton DC Metro (Washington DC that is) East Alabama Flint and the Thumb Greater Boston Greater Columbus OH Greater Delaware Greater Madison /South Wis. Greater Montgomery Ala Greater St Louis Greenville-Upstate SC Long Beach Cal Long Island NY Los Angeles Miami Beaches NE-NW Georgia (4th person in TIPS marketing training with me--3 others deceased) Napa Valley Norfolk-Porsmouth NE New Jersey Northern Arizona North Michigan NW Arkansas Panama City-Beaches Philadelphia Piedmont Triad Pueblo/Canon City Rochester/Finger Lakes S. Indiana-Western Kentucky San Diego North San Francisco-San Jose Scranton South Jersey Shore South Orange County SE Kentucky SE Minnesota SW Michigan SW Virginia Space Coast Spokane The Berkshires Tupelo-NE Mass Twin Cities Virginia Beach West Michigan Williamsburg Wisconsin Dells

I don't guarantee absolute accuracy here. Since Travelhost keeps the failure rate a closely guarded secret (for obvious reasons), I looked at all issues on the Travelhost Website with no-current dates to get this list. My belief is that it is very accurate"

I'm sure by now, this memorial should contain a lot more, but you get the point.

Turnover.

Travelhost makes money on turnover. People who's lives are "turned over" because of this practice.

It's sad, and sick. With a 90+% chance of failing as a new AP at Travelhost, you're VERY likely to become a "TRAVEL-GHOST."

Follow

But that's just the way it is...at Travelhost.

Oh, and last, but certainly not least today...the Travelhost AP's are not the only Travel-Ghosts.

Every one of the unfortunate employees let go yesterday by Travelhost, is affected by Travelhost's bad business practices.

Ten days before Christmas, Jim? Really was that necessary??

Guess you could call those poor people "TRAVEL-GHOSTS" too.

Posted in [The Travelhost Information You Need To Know](#) | [2 Comments »](#)

The Publisher's Advocate Responds To A Reader About Travelhost's Alleged Fraud.

December 11, 2009

First and foremost, there's something that I'd like to make very clear to everyone reading this blog: Everything expressed in this blog is merely my opinion, and based on my experience with Travelhost Magazine over the last few years. These are not necessarily facts, yet I have not had anyone prove otherwise to this date.

If you or someone you know actually **HAS** proof that I have made a mistake, please send it over by clicking the link below, and I'll be more than happy to change any statement I've made. I am committed to providing the information you need to know, in order to protect the investor from lack of disclosure. It's just not right that Travelhost is allowed to operate this way, and hurt so many people.

EMAIL PROOF TO THE PUBLISHERS ADVOCATE

OK, on with today's post.

Today, I was basically asked (via AIRMAIL) to name a specific situation where I believed that Travelhost has committed fraud. Ok, not a problem, that's an easy one.

First, we need to define fraud. According to the free online dictionary, here's the definition of fraud:

fraud

n

1. deliberate deception, trickery, or cheating intended to gain an advantage
2. an act or instance of such deception
3. something false or spurious his explanation was a fraud
4. *Informal* a person who acts in a false or deceitful way

[from Old French *fraude*, from Latin *fraus* deception]

//

[Collins English Dictionary](#) – Complete and Unabridged 6th Edition 2003. © William Collins Sons & Co. Ltd 1979, 1986 © HarperCollins Publishers 1991, 1994, 1998, 2000, 2003

That being squared away, here's just one instance where I believe Travelhost is committing fraud. According to Travelhost's national media kit, on page 4, they state:

"Our Commitment To You"

"Published in 125+ local editions, TRAVELHOST Magazine can be found in the guestrooms of 8,856 of America's finer hotels and reaches an estimated 1.3 million in-room guests per day. Travelers turn to TRAVELHOST for the best places to dine, shop, entertain and enjoy the cities we serve. Our reader demographics reflect one of the strongest buying markets – the upscale traveling public."

Travelhost is not in 125+ local markets, and if they are, somebody please tell me where all these markets are. In my opinion, Travelhost is in far less markets, just look at the website. My guess is less than 90?

Attempting to sell ads by lying about how many local markets are printing Travelhost Magazine?

In My Humble Opinion, That's **fraud**.

Posted in [The Travelhost Sales Technique](#) | [2 Comments »](#)

Questions Submitted By An Associate Publisher In The Travelhost Network:

December 10, 2009

Hello Everyone,

Today I'm just copying and pasting questions I received from an Associate Publisher yesterday. They are good questions, and though they may repeat some of the things I've said before, they reflect someone else's point of view. Someone who has also spent some time in this network that Travelhost has assembled. (A network, I'd like to point out, of **VERY** smart, **VERY** driven, **VERY** capable **ENTREPRENEURS**!)

I point this out, because it's Travelhost's position that everyone who fails (90+%?) at this business is at fault, not Travelhost. I say that's BS! They've hand-picked **VERY** good people, it's **TRAVELHOST'S BUSINESS MODEL THAT IS FAILING IT'S PEOPLE**.

ANOTHER VETERAN ASSOCIATE PUBLISHER WRITES (unedited):

Here are some additional KEY questions, at least from my standpoint that should be added to the blog.

Follow

1. Why does Travelhost mislead all AP'S by claiming that "By paying a premium price to become a full fledged DISTRIBUTOR that in return Travelhost will offer "Wholesale Prices" on the printing of their magazines?" This is an outright LIE! By definition alone, the term Wholesale Pricing which is interrupted by most every living person already means HUGE SAVINGS over traditional costs, however, the prices actually charged by Travelhost to "print" a magazine can be as much as 50% HIGHER than most any other "Printer" in America would charge...And to add insult to injury, most every other printer will also deliver a FAR SUPERIOR product than what is produced by Travelhost? Even though Travelhost could improve any market magazine, they DON'T want to spend the money...less profits for them. These actions place many of the AP's in a significant market disadvantage (can't compete equally) and directly impacts their ability to make more money and to grow their business.

2. That raises the next big question...At NO time during the pre-interview process or BEFORE any potential AP investor ever signs up to become a TRAVELHOST AP (and issues the franchisee fee to Travelhost), does Travelhost ever COMMUNICATE or DISCLOSE to any potential investor AP the following information. Despite being told by Travelhost executive that Travelhost will work with every AP in whatever manner is required to build the market, assist you in growing your market, produce the best possible magazine for your market, (they never out this in writing...just say it) it's all another LIE! Travelhost AP's are governed entirely by the stringent corporate policies in place by Travelhost and are mandated by the Existing RULES and REGULATIONS as imposed by Travelhost, which some (but not all) are ultimately disclosed to each AP at the future TIPS CLASS. This ONLY takes place after all franchisee-market AP docs have been signed, and the franchisee fee checks from the AP have been delivered, and they have also CLEARED Travelhost's corporate account.

3. Here's another BIGGIE. Why does Travelhost market, advertise and promote their company as a "40 year Publisher" and not the "40 Year Printer" which they actually are? First and foremost, Travelhost does not publish any Travelhost editions, so how can they describe or market themselves as a Publisher? By industry definition a Publisher is an entity/organization that derives there revenues from selling advertising. In all likelihood, 90% of Travelhost's annual revenues are generated from printing (minus new AP franchisee fees)which makes them a Printer NOT a Publisher, RIGHT?. So this now establishes Travelhost as both a Franchisor and a Printer, NOT a Publisher.

4. From a sheer ethical standpoint, when AP turnover (that also financially destroys these AP's and their families) are 2-3 times greater than current, successful, full-time AP's, is it not the ethical, (if not a fiduciary duty of the owners-principles and senior management of Travelhost) to also take AT LEAST the same amount of time as they do SELLING you on this great "life opportunity" to also FULLY DISCLOSE the HIGH RISK nature of doing business with Travelhost? The only reason for NOT DOING SO would be to knowingly participate in unethical business practices by CONCEALING this information from potential franchise investors. Such actions can only confirm that they are in fact a significant part of Travelhost's 40-year marketing plan for generating its annual revenues. It could easily be alleged that Travelhost (knowing the millions to be earned from "regularly churning AP's) knowingly made this a key element of the original business plan. A component that one could allege was a clever tool with the full intention for DECEIVING unsuspecting new franchise investors. No matter what Travelhost may contend, this has been an constant pattern, a regulate routine of their daily business for years. Legal implications aside, is their no responsibility to honor or integrity on behalf of Jim Buerger Travel founder and Chairman. The ability fro him to know RIGHT over WRONG, or even a code of ethics that he feels are professional requirements for corporate behavior and conducting business?

5. Why does Travel mislead every new AP by implying that their Legendary TIPS CLASS (a "Mandatory Seminar" and one which the company implies is provided to assist AP's in becoming successful) is actually nothing more than the companies forum, a 2-3 "Boot Camp" which is entirely focused (outlined in a 3 pound binder that must be 250 plus pages) on EXACTLY how Travel demands and stipulates (exactly like a franchisee) every AP will adhere too the current policies dictating how each AP will design, create the look and feel, the color format,design format, the font size, the required layout, the content requirements and how each issues creative materials will be submitted and delivered to Travel. These stipulations also come with imposed financial penalties which Travelhost, at their desecration can charge to any AP for any failure to NOT meet these criteria. Unless ALL of these requirements are adhered too for every magazine submitted during your reign as an AP, Travelhost has the right NOT to PRINT your magazine? So there is NO confusion, unless EVERY ONE of the hundreds of listed policies as outlined in the TIPS Class "AP Manual" are adhered too 100%...Travelhost WILL NOT print an AP magazine.

6. Could someone explain to me why Travelhost forces every AP to sign a waiver-disclaimer-indemnity document anytime an AP may request any change for whatever the reason. Changes that could relate to terms, a credit for a Travelhost created production error, adjustment in production levels (copies printed) a printing schedule change or any other bizarre situation, but with every such change, Travelhost DEMANDS a document be signed by each AP which HOLDS THEM HARMLESS for any past actions-dealings-policy changes or communications ever held between Travelhost and that AP, including the one that may have just happened 30 seconds earlier. Seems to me that not only is this practice predatory and I allege to be an illegal act, because only a company with LOTS to hide would ever consider abiding by such an outrageous method of dealing with people...let alone franchisees. It's nothing short of blackmail and is designed to force the AP into

Follow

signing something they might otherwise not do. It has even been reported that Travelhost has threatened to REFUSE shipment of an AP's magazine into that market unless such a document has been signed.

Brian...these should augment the current listings for your blog.

So, it appears that I'm not the only one in the network that sees these issues as serious ones. In fact, there are **MANY** people that have reached out to me, but there's a problem: **Most Associate Publishers are not questioning TH on these problems.**

Until now. One by one we'll solve these problems, folks.

Travelhost, can we please have some answers on these questions? Please?

Posted in [Some Unanswered Travelhost Questions](#) | [1 Comment](#) »

Back In The Saddle: Helping Potential Publishers With Their Due Diligence On TRAVELHOST

December 9, 2009

Hello Everyone, and thanks for all of your help and ideas, it really helped us get back on track!

The Publisher's Advocate received another email today from the blog...what a fantastic way to find out that we now have new traffic back to the blog! It really makes me feel like I'm helping, and that I'm not just spinning my wheels here.

I have been making progress here at The Publisher's Advocate, and have been in touch with so many people that have agreed to help us bring our information to new investors. However, we can always use more help! If you're interested in helping, please email me at Brian@nytravelhost.com.

Without further ado, today's post will just be answers to a few questions I got via email recently. Then, maybe tomorrow we'll dive into a more serious scenario.

Q: Is Travelhost a printer or the publisher of our magazines?

A: Well, if you consider the fact that the "associate publisher" sells the ads, collects and writes content, lays out the magazine, and submits it to Travelhost for production and printing...**TRAVELHOST** is the **PRINTER**. Since most of their money is made from **PRINTING**, and not **ADVERTISING**...and **ALL OF OUR MONEY IS MADE FROM ADVERTISING**, I'd consider the "associate publishers" the actual publishers of their local editions.

(BY THE WAY, THIS IS HOW **JOHN BARTON BEAT HIS NON-COMPETE LAWSUIT WITH TRAVELHOST**)

Q: Has Travelhost provided proof that any of the things discussed in this blog are false?

A: No, not to this date. Such proof doesn't exist, in my opinion.

Q: Has Travelhost made any efforts to stop me from continuing my blog?

A: No, not to this date. This information is vital to new investors, and is taken directly from my experiences as an Associate Publisher at Travelhost, and my experience on their Advisory Board. And, it's my constitutional right to express these concerns.

Q: Am I still publishing Travelhost in Westchester, New York?

A: I just distributed my last issue of Travelhost for the Winter of 2010. **Travelhost Magazine has forced me out of business, by putting me at a competitive disadvantage in my marketplace.** Paying twice what other publishers in my market are paying for printing and production have left me with no other choice than to cancel my agreement with Travelhost. Paying 16K for a 7K print job just doesn't work ANY economy!

Q: Did Travelhost offer me any deals on printing?

A: Yes, and no. Travelhost seems to offer "one-off deals" to people who can no longer afford to pay the obnoxiously high publishing prices. (meaning, you don't get a deal unless you ASK.) However, they will only discount your printing until *you can afford to pay the full 200% again*. They will "help" you with your business, in order to "help" you continue to pay double. This means planning and sales help. Not overhead help, which is what we all need. My sales were still **OK**, it was my **PRINTING** that was outrageous, and drove me out of business. Since I was overpaying by about 8k per quarter, I'd still be in business had I started my own magazine. Since I NEVER want to pay double what I should be paying, no deal here...

OR

Travelhost may offer to discount your printing until you are able to *scam some other poor SUCKER* into buying your business. This is just a continuation of the **fraud**, and they make you the front man for the scam...all while signing away your rights to ever tell anyone what you're doing! Since I'm not ready to commit **FRAUD**, no deal here either!

Q: Do I think that everyone who works at Travelhost knows they commit fraud just about every day of the week?

A: Yes, I think most employees have a clue. And, since they all let it go on every day, and don't do anything about it, they are just as guilty as the great master himself. If they only knew that they could be held liable for it one day, perhaps they'd change thier minds?

Q: Last, but not least, where IS Jeff Loudon?

A: Jeff Loudon is not missing, lol, and he's just fine. I only used that line to make a point. (remember, where in the world is Carmen Sandiego?) Anyway, Jeff Loudon is "looking forward to a long and happy career with Travelhost Magazine." What does this mean? Well, my translation is "I've been paid off by Travelhost Magazine to keep my mouth shut, and erase my blog." For a guy who was just dying to raise hell over the same issues I'm raising now, especially our printing prices, he seems quite happy to be **PAYING THEM NOW**? I think not, my friends. Perhaps someone should call Travelhost Headquarters (1-800-527-1782) and ASK them what they gave Jeff Loudon to shut up? I, personally, think they gave him some hush money and a sweet deal to keep his mouth closed. Nah, nothing wrong going on here, eh? (**For the rest of you AP's, just shut up and pay the full boat, and don't ask about Jeff Loudon, OK?**)

Get my drift?

That's all for now, folks. Tomorrow is another day. If you're new to this blog, please be sure to read the posts below, as they contain valuable information

Follow

will need to decide whether Travelhost is the “right” decision for your new publishing business.

And again, TRAVELHOST, if you have proof that anything contained in this blog is FALSE, please let us know and I’ll change it. I do not want to mis-represent this “opportunity” in any way.

P.S.> If you are a past or present AP, and have any information you’d like to share with us, please email me at Brian@NYTravelhost.com. We could use your stories on our new website, which is under construction. Thank you.

Posted in [Some Unanswered Travelhost Questions](#), [Uncategorized](#) | [Leave a Comment »](#)

[« Older Entries](#)

• Email Subscription

Enter your email address to subscribe to this blog and receive notifications of new posts by email.

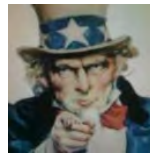
Join 28 other followers

Sign me up!

• Blogroll

- [WordPress.com](#)
- [WordPress.org](#)

• EMAIL THE PUBLISHERS ADVOCATE



MISSION: TO SERVE THE PUBLISHER

• BLOG STATS:

- 16,784 HITS

• Save Yourself Some Time:

search this site

• Areas of Due Diligence for Travelhost

Select Month

• Comments From Readers



[bdhickey](#) on [2010 in review: The Publisher...](#)



Betty on [2010 in review: The Publisher...](#)



incredulous on [Is Travelhost Magazine Now GIV...](#)

• Top Posts

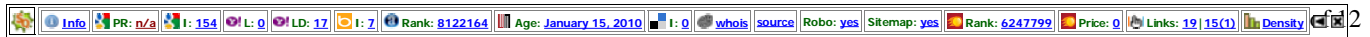
- [Has Travelhost been in court over any of this?](#)
- [Is Travelhost Magazine Now GIVING Away FREE Markets? If So, Does Anyone Even Want One?](#)
- [An Open Letter Of Testimony For Those Ex-Associate Publishers Facing Travelhost Magazine and James Buerger In Court...](#)

• RSS FEED

[RSS - Posts](#)

[RSS - Comments](#)

Follow



Publishing Industry Practices

The Travelhost Magazine Business Opportunity Exposed...

Archive for January, 2010

[More Of The Missing Travelhost Magazine Puzzle Pieces?](#)

January 28, 2010

Little by little, we've been accumulating peices of the Travelhost puzzle, like anthropologists assembling bones from the beasts of the past. Thankfully, it's been helpful to some people already. We've had several notes of thanks sent to The Publisher's Advocate, and hope to have many more. Keep up the good work everyone, and thank you all for your help! I'd especially like to thank those on the inside, for doing what's right...let your conscience be your guide!

On to todays post...

Whispers of "TravelGhosts" from the halls of the Travelhost Marketing Department tell me that **\$4,200** per quarterly issue is "earmarked" for *marketing* at Travelhost. I just learned this information, and find it to be quite interesting...if it's true.

If you do the math, you get a big number! Let's take a look:

Let's assume Travelhost has **70** quarterly publishing markets...probably less, but I'll be optimistic.

$70 \times \$4,200 = \$294,000$ per quarter! $\$294,000 \times 4$ quarters = **\$1,176,000.00**

OVER ONE MILLION DOLLARS "earmarked" for "marketing" yearly at Travelhost!

That's not counting the millions of other dollars that cover production and printing (and executive overhead).

Does ANYONE see a million dollars per year in marketing hard at work?

I'm thinking these dollars are "earmarked" for marketing Travelhost markets to potential AP's (market expansion), not for marketing Travelhost as "America's Number 1 Travel Magazine." (Building the brand) So in theory, the AP's that are going broke paying the marketing budget, are actually paying for the *marketing to their replacements* for when they finally go bust. Kind of like digging your own grave, if you get my drift.

Does Travelhost promote their brand in any way?

They've become quite good cheerleaders to their network of AP's, hyping people up with "positive thinking" and planning to work the plan and plan the work. This is all good stuff, especially when your brand has no legs of their own...preaching from the pulpit is about all you can do to keep the soldiers that are still alive...well, still fighting!

The only place I see any real money being spent is the 3 year old, unfinished website.

Which brings me to another question:

Has anyone wondered yet why Travelhost is building their website using a proprietary, wholly owned platform of their own?

The plan that is known inside the company, is that Travelhost will build an online presence that will take them directly to the consumer. Supposedly, in 5 years, they will have reservation systems, scrapbooks (MyTravelhost), meeting planners (AgendaBuilder) and many additional elements.

They fully intend to build the company to the point that the print component, the AP network, is but a *small portion* of the overall plan.

(The skills to do this haven't been shown yet, but this is the plan, supposedly.)

AKA...they'll virtually eliminate Travelhost's reliance on the AP network. As the print product becomes less and less important, and the website starts generating revenue of it's own...they won't really need you all that much anymore...will they?

One of the core first steps is to populate the website with local business listings...what Dave Portener calls the "micro engines." (It's the new 1/12th page unit for the magazine that automatically populates the website, iphone, etc.)

Essentially, Travelhost is having the network develop the content for the website initiative. It's an actual plan! A pretty good one from their point of view! Not so good when you're the AP. Why?

Well, to start with it, the AP network is paying for it.

But guess what... **THE AP NETWORK DOESN'T OWN IT!**

So, considering the fact that the AP network doesn't actually *own the website* (we just have "use of it" while we're AP's), **where is the rest of the money going?**

Advertising? No.

Direct mail? No.

Email newsletters and blasts? Not yet.

Radio and TV spots? Nope.

Social media and online marketing? If it's there, I don't see it...unless I look really hard.

Why doesn't anyone in NY know what Travelhost Magazine is, unless I tell them? Especially when \$4,200 per quarter, or \$16,800 per year goes toward "marketing?"

Since my total printing bill for 15000 magazines is \$15,750.00...over 25% of my dollars paid to Travelhost is earmarked for "marketing," *yet I don't see a nickel of it going toward my market.*

I see a few webinars on the schedule, and a "regional meeting" here or there...well, not "*here*" in the Northeast. But that's a whole different post. Why is the Northeast so barren of Travelhost markets?

My point is this. Where does all the money go, Travelhost? Attention: There's MORE:

Consider this breakdown...(these are real numbers)

If printing at a regular printer is about **\$5500**,

and graphic design is another **\$2500**,

and "marketing" is another **\$4200**,

where does the OTHER **\$3550** go as well?

Does anyone know where this money is going?

I now have **\$7750** unaccounted for...every issue. **4 Times per year.**

\$31,000 per year, totally unaccounted for. (from your pocket, to Jim Buerger's Ferrari?)

And **I'M** the one who's labeled the crook by Travelhost? **I'M** the one being called an "*extortionist*" by Roger Thraill to prospective associate publishers out there! Dave Portener says **I'M** the one who "ran my business into the ground." If you didn't read that one, here's the link:

<http://publishersadvocate.wordpress.com/2010/01/25/more-google-search-results-on-travelhost-magazine-scam/#comments>

Can anyone break it down for me, please, because I don't understand what's going on here?

Why does this networks hard-earned advertising dollars disappear, leaving no evidence of money well spent anywhere?

Where does the money go, Mr. CMO?

Posted in [The Travelhost Information You Need To Know](#), [Uncategorized](#) | [Leave a Comment »](#)

More Google Search Results On Travelhost Magazine..."Scam?"

January 25, 2010

It's kind of sad when a company has to purchase Google AdWords including "scam" after it's name...isn't it?

(OK: Update from Dave Portener (CMO of Travelhost), they didn't "purchase" it, evidently it comes up automatically every time Travelhost is "googled." It's still a **PAID AD SEARCH**. However, point taken, Dave...you didn't **SPECIFICALLY BUY THE WORD "SCAM."**

(I can admit when I've made a mistake! Dave should do the same, since he lies to the people of this Associate Publisher network just about every time he sends out an email...it's dispicable!)

(By the way Dave, you still haven't proven that anything on my blog is **FALSE**.) Now back to our regularly scheduled program...

When you Google "Travelhost Magazine Scam," they have a *paid text ad* that pops up in the sponsored category! Does that mean that Travelhost actually finally acknowledges *that it is a SCAM?*

Perhaps we **DO** have some progress here!

A couple of pages into the search, you'll find yet another snippet from a court case where Travelhost had to defend itself against *another* Associate Publisher for **FRAUD**.

And, in their usual corporate bullying style, Travelhost motions for a change of venue apparently in an attempt to cause the AP to spend more money by having to go to **TEXAS** for court. This is **AFTER** they probably caused said AP to go broke by overcharging them for the magazine...if history repeats itself, which it tends to do.

It seems that this time, their plans were foiled...and Travelhost was forced to defend themselves in Nevada. This particular document only talks about the motion for change of venue, not the entire case...but it sounds as if it's the same old story.

FRAUD and MISREPRESENTATION!

This took place in 1985. Why do so many people claim that Travelhost has committed **FRAUD** against them? Are all these people *crazy*?

Or, could there be some merit to the numerous claims of FRAUD against Travelhost?

This information was taken from: http://nv.findacase.com/research/wfrmDocViewer.aspx/xq/fac.%5CFDCT%5CDNV%5C1985%5C19850308_0000008.DNV.htm/qx

See below:

GALLI v. TRAVELHOST

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEVADA

Follow

[Docket Number available at www.versuslaw.com](http://www.versuslaw.com)

[Citation Number available at www.versuslaw.com](http://www.versuslaw.com)

March 8, 1985 **PETER E. GALLI and KAREN HUNTER, Plaintiffs,**

v.

TRAVELHOST, INC., a Texas corporation, et al., Defendant Paul D. Elcano, Reno, Nevada, for Plaintiff. , Phillip W. Bartlett, Reno, Nevada, for Defendant.

Reed, Jr.

The opinion of the court was delivered by: REED, JR.

ORDER

Defendant, Travelhost, Inc., moves this Court for change of venue pursuant to 28 U.S.C. ?? 1404(a) and 1406(a). In support of its motion, Travelhost argues that transfer is proper in this case on the basis of a contractual venue selection agreement between the parties and alternatively on the basis of the parties' convenience. Plaintiffs, Peter Galli and Karen Hunter, oppose the motion for transfer. They argue that the forum selection clause should not be enforced against them and that it would be inconvenient and unreasonable to transfer this case to Texas. This Court agrees with plaintiffs and, therefore, the motion to transfer is denied.

Facts

Plaintiffs originally filed their complaint in this case in the Washoe County District Court, Nevada, on August 17, 1984. Defendant removed the action to this Court pursuant to 28 U.S.C. ? 1441. The complaint

Plaintiffs are residents of Nevada. Defendant is a Texas corporation with its principal place of business in Dallas County, Texas. Defendant does business throughout the country. The incidents which gave rise to this lawsuit took place in Reno, Nevada. Plaintiffs and defendant entered into contract negotiations for plaintiffs to distribute and have printed Travelhost Magazine. Travelhost Magazine is printed by defendant with advertising to be obtained by the distributor. The magazine is then placed free of charge in motel rooms. Plaintiffs were to be responsible for distribution in the Boise, Idaho, area. In essence, plaintiffs bought a franchise to be the sole distributor of Travelhost Magazine in that area for a sum of \$45,000.

Analysis

Federal procedure provides that "for the convenience of parties and witnesses, in the interest of justice, a district court may transfer any civil action to any other district or division where it might have been brought." 28 U.S.C. ? 1404(a). Consistent with this, a decision to transfer is committed to the sound discretion of the trial court. See *Commodity Futures Trading Com'n v. Savage*, 611 F.2d 270, 279 (9th Cir. 1979).

The relevant factors for consideration whether to transfer a case are: the convenience of the parties and witnesses, the relative ease of access to sources of proof, the availability of process to compel the presence of unwilling witnesses, the practical problems indicating that the case can be tried more expeditiously and inexpensively elsewhere, and the interests of justice. See *Gulf Oil Corporation v. Gilbert*, 330 U.S. 501, 508-509, 91 L. Ed. 1055, 67 S. Ct. 839 (1947).

The burden is on defendant in this case to establish that there should be a change of venue. It is not enough, without more, to merely shift the inconvenience from one party to another. See *Van Dusen v. Barrack*, 376 U.S. 612, 645-646, 11 L. Ed. 2d 945, 84 S. Ct. 805 (1964).

If the plaintiffs were forced to travel to Texas with the several witnesses that are listed in Peter Galli's affidavit accompanying the opposition to the motion of transfer, plaintiffs would be seriously inconvenienced. Coupled with the additional cost of litigation outside their home state, it may force plaintiffs to decide that the cost of bringing the lawsuit no longer supports its feasibility. It cannot be said that Texas is the more convenient forum for plaintiffs.

Further, in evaluating a ? 1404(a) motion, the citizen plaintiff's choice of a proper forum is entitled to "paramount consideration," and the moving party must show that a balancing of interests weighs heavily in favor of transfer. See *Piper Aircraft Co. v. Reyno*, 454 U.S. 235, 255, 70 L. Ed. 2d 419, 102 S. Ct. 252 (1981). Defendant in this case has not met its burden. First, defendant actively seeks out and does business nationally. The contract at issue in this case was negotiated, signed, and executed in Reno, Nevada. Also, defendant fails to positively identify any witnesses which would potentially be beyond the jurisdiction of this Court. The simple assertion that the necessary witnesses probably reside in a certain forum does not justify granting a ? 1404(a) motion. This Court finds that the defendant has not met the burden of establishing that the transferee forum is more appropriate for this action.

Accordingly, the motion to transfer based upon 28 U.S.C. ? 1404(a) is denied.

In this case analysis does not stop, however, with a finding that transfer is inappropriate under ? 1404(a). As defendant asserts, there is a forum selection clause at issue in this case.

A copy of the contract is attached to defendant's motion as Exhibit A. The agreement is a three-page document entitled "APPLICATION FOR DISTRIBUTORSHIP AND AGREEMENT." There are blanks for the date, names of the parties,

"18. This Agreement is to be governed by and construed according to the laws of the State of Texas and venue for all purposes shall be in the State of Texas."

Although there is no allegation of fraud in connection with this particular clause in the contract, this lawsuit is predicated upon claims of misrepresentation and fraud as to the entire negotiations. This Court makes no intimation as to the merits of this case; however it does find that a prepared standard contract by a corporation which willingly and intentionally availed itself of these Nevada plaintiffs should be weighed with great care by this Court.

Analysis of the validity of the forum-selection clause must begin with *The Bremen v. Zapata Off-Shore Co.*, 407 U.S. 1, 32 L. Ed. 2d 513, 92 S. Ct. 1907 (1972). That case concerned a contract between Zapata, an American corporation based in Texas, and Unterweser, a German corporation, for Unterweser to tow a Zapata oil rig from Louisiana to a point in the Adriatic Sea off Ravenna, Italy. The contract provided that "any dispute arising must be treated before the London Court of Justice". Id. at 2. The rig was damaged while in the Gulf of Mexico, and Zapata instituted suit in a district court in Florida. The Fifth Circuit affirmed the district court's denial of a motion by Unterweser to dismiss. The Supreme Court reversed. Repudiating earlier decisions adverse to forum-selection clauses, the Court held that there were compelling factors in that case why such a clause, "unaffected by fraud, undue influence, or overweening bargaining power . . . should be given full effect." Id. at 12-13. Among these factors was the extraordinary nature of the transaction in that case, involving as it did the towing of a drilling barge from the Louisiana coast to the Adriatic Sea. The forum-selection clause also had the effect of providing a neutral, specified forum for the adjudication of disputes, thereby eliminating any uncertainties. The Court further stated:

"There is strong evidence that the forum clause was a vital part of the agreement, and it would be unrealistic to think that the parties did not condi

Follow

their negotiations including fixing the monetary terms, with the consequences of the forum clause figuring prominently in their calculations.”

Id. at 14 (footnotes omitted).

None of the factors mentioned by the Supreme Court are present in this case. This transaction is not extraordinary, nor is there any intimation that the parties need to ensure a neutral forum for the adjudication of the disputes between them. This Court should constitute a neutral forum, no different from the district court in Texas.

There is no indication on the face of the contract that the forum selection clause was freely bargained for between the parties. Nor was the Court presented with any evidence that the parties engaged in any specific bargaining over the clause.

Further, defendant did not provide competent evidence to support the argument that the clause was a “most-significant” part of the contract. At the time the contract in issue was negotiated and signed, the president of Travelhost was Robert E. Thomas. However, the affidavit submitted in support of the argument is by the current president of Travelhost, James E. Buerger. Mr. Buerger states in paragraph 4, page 2, that the “venue selection” paragraph has always been considered to be a “most-significant part of [Travelhost’s] entire Distributorship Agreement arrangement.” The Court has difficulty according much weight to this self-serving statement.

Although the Supreme Court in Zapata did refer to forum selection clauses as prima facie evidence, it must not be assumed that prima facie validity means, in all but the most unconscionable cases, certain enforcement. The Zapata decision leaves to the courts a certain power to consider mitigating factors, and though plaintiffs bear a heavy burden of persuasion, this Court should give fair hearing to them when they claim needed mitigation. This Court reads Zapata to mean in its effect, that a forum selection clause appearing in a contract should not be regarded with quite the same reverence as is typically given to contractual clauses.

A forum selection clause does not oust this Court’s jurisdiction. There will always be open to either party the opportunity to present whatever evidence will move a court in the particular circumstances not to decline to exercise its undoubted jurisdiction. See LFC Lessors, Inc., v. Pacific Sewer Maintenance Corp., 739 F.2d 4, 6 (1st Cir. 1984) (quoting Central Contracting Co. v. Maryland Casualty Co., 367 F.2d 341, 345 (3d Cir. 1966)). This Court’s subject matter jurisdiction is properly based on diversity of citizenship. Venue is proper in the district of Nevada under 28 U.S.C. ? 1391(a).

IT IS, THEREFORE, HEREBY ORDERED that the motion for change of venue is DENIED.

19850308 <!--plsfield:

© 1992-2004 VersusLaw Inc.

Mr. Buerger was not a party to the contract, nor was he president of Travelhost at the time of the contract. It is the finding of this Court that the forum-selection clause is in the contract for the convenience of the defendant, and for no other reason. their addresses, number of copies per week of the publication, designated area for distribution, amount the distributor is paying defendant, and three additional paragraphs added on to the form contract. All of the above mentioned was initialled by the three signatories to the contract, Peter Galli, Karen Hunter, and Robert E. Thomas. The remaining paragraphs are not initialled. The venue selection paragraph is found at paragraph 18 of the 23 paragraph document. That paragraph of the contract reads: alleges in the first cause of action intentional misrepresentation and in the second cause of action negligent misrepresentation.

Posted in [The Travelhost Information You Need To Know, Uncategorized](#) | [11 Comments »](#)

[Please Be Advised...Results May Not Be Typical!](#)

January 19, 2010

Here’s just another instance where Travelhost intends to mislead people, and attempt to lure unsuspecting investors, by making people believe that the folks in the testimonials represent the majority.

Every good marketer knows that testimonials are an excellent way to break down potential buyer’s barriers, in order to help sell your product or service. Testimonials sell! **One caveat to this...the testimonials are supposed to show TYPICAL results, NOT the (1 out of 100) results!**

This particular point is important enough for the **FTC** to require businesses using testimonials, to **LABEL** them if they represent results that **ARE NOT TYPICAL**, so that customers are aware of this!

Again, why doesn’t Travelhost follow the law? Probably because it doesn’t **benefit** them to do so...lets take a look:

I bolded the relevant part of this communication, and I’m providing a link to the Travelhost website where the violations occur.

Why is it important for Travelhost to avoid the truth?

Links to TH site:

<http://www.travelhost.com/jsp/lovetestimonials.jsp>

<http://www.travelhost.com/jsp/lovemarketplace.jsp>

<http://www.travelhost.com/jsp/lovemarketplace2.jsp>

(PLEASE BE ADVISED, RESULTS MAY VARY?)

An FTC Press Release:

For Release: 10/05/2009

FTC Publishes Final Guides Governing Endorsements, Testimonials

Changes Affect Testimonial Advertisements, Bloggers, Celebrity Endorsements

The Federal Trade Commission today announced that it has approved final revisions to the guidance it gives to advertisers on how to keep their endorsement and testimonial ads in line with the FTC Act.

The notice incorporates several changes to the FTC’s Guides Concerning the Use of Endorsements and Testimonials in Advertising, which address endorsements by consumers, experts, organizations, and celebrities, as well as the disclosure of important connections between advertisers and endorsers. The Guides were last updated in 1980.

Under the revised Guides, advertisements that feature a consumer and convey his or her experience with a product or service as typical when that is not the case will be required to clearly disclose the results that consumers can generally expect. In contrast to the 1980 version of the Guides – which allowed advertisers to describe unusual results in a testimonial as long as they included a disclaimer such as “results not typical” – the revised Guides no longer contain this safe harbor.

Follow

The revised Guides also add new examples to illustrate the long standing principle that “material connections” (sometimes payments or free products) between advertisers and endorsers – connections that consumers would not expect – must be disclosed. These examples address what constitutes an endorsement when the message is conveyed by bloggers or other “word-of-mouth” marketers. The revised Guides specify that while decisions will be reached on a case-by-case basis, the post of a blogger who receives cash or in-kind payment to review a product is considered an endorsement. Thus, bloggers who make an endorsement must disclose the material connections they share with the seller of the product or service. Likewise, if a company refers in an advertisement to the findings of a research organization that conducted research sponsored by the company, the advertisement must disclose the connection between the advertiser and the research organization. And a paid endorsement – like any other advertisement – is deceptive if it makes false or misleading claims.

Celebrity endorsers also are addressed in the revised Guides. While the 1980 Guides did not explicitly state that endorsers as well as advertisers could be liable under the FTC Act for statements they make in an endorsement, the revised Guides reflect Commission case law and clearly state that both advertisers and endorsers may be liable for false or unsubstantiated claims made in an endorsement – or for failure to disclose material connections between the advertiser and endorsers. The revised Guides also make it clear that celebrities have a duty to disclose their relationships with advertisers when making endorsements outside the context of traditional ads, such as on talk shows or in social media.

The Guides are administrative interpretations of the law intended to help advertisers comply with the Federal Trade Commission Act; they are not binding law themselves. In any law enforcement action challenging the allegedly deceptive use of testimonials or endorsements, the Commission would have the burden of proving that the challenged conduct violates the FTC Act.

The Commission vote approving issuance of the Federal Register notice detailing the changes was 4-0. The notice will be published in the Federal Register shortly, and is available now on the FTC’s Web site as a link to this press release. Copies also are available from the FTC’s Consumer Response Center, Room 130, 600 Pennsylvania Avenue, N.W., Washington, DC 20580.

The Federal Trade Commission works for consumers to prevent fraudulent, deceptive, and unfair business practices and to provide information to help spot, stop, and avoid them. To file a complaint in English or Spanish, visit the FTC’s online [Complaint Assistant](#) or call 1-877-FTC-HELP (1-877-382-4357). The FTC enters complaints into Consumer Sentinel, a secure, online database available to more than 1,700 civil and criminal law enforcement agencies in the U.S. and abroad. The FTC’s Web site provides free information on a variety of [consumer topics](#).

MEDIA CONTACT:

Betsy Lordan
Office of Public Affairs
202-326-3707

STAFF CONTACT:

Richard Cleland
Bureau of Consumer Protection
202-326-3088

(FTC File No. P034520)
(endorsement testimonial guide.wpd)

All Travelhost would have to do, is mention that the people in these testimonials are some of the **ONLY** people that are truly happy being a Travelhost Associate Publisher. Some of the people pictured in those testimonials may not be as happy as Travelhost thinks they are! There might even be a couple that are having financial difficulty as we speak.

The point is, why do they try so hard to mislead people?

I suppose the FTC will never enforce the rules upon Travelhost, however, I can tell you one thing: Everything written in my blog seems “**typical**” of the Travelhost AP.

Not so much with Travelhost’s site.

Posted in [Uncategorized](#) | [Leave a Comment »](#)

[A Former Travelhost Employee Speaks...](#)

January 13, 2010

Again, name withheld from fear of retaliation from Travelhost Inc., a former employee of Travelhost wrote in response to one of my blog postings. I never asked this person their name, and assured them I wouldn’t use it in the post. You can read this exchange on this blog, but it’s buried...and I thought it was worth highlighting in a separate post, because it shows what it’s really like down there in Dallas, working for Buerger and crew...

The point of this copy and paste, is to show that: I’m not crazy, I’m not a crook, and OTHER people have seen what Travelhost has done over the years. This time, proof from an ex-employee. Which, by the way, is only one of many who have contacted me over the last couple of months.

Start of exchange:

I’m saying former employee because I cannot have my name published. I don’t care if you publish this anyway, I just want you to know this. Thank you.

I’m finding this information, along with other websites of other dissatisfied APs quite interesting. I do not know anything about the numbering system or their Tuesday meetings as they may have started this after I left, but it sounds completely possible.

When people first began saying Travelhost is a fraud I dismissed it as sour grapes by APs who just didn’t know how to sell, as was commonly said. But over the years since I have left and joined another successful publishing house I began to see it plain as day. They are in business to sell distributorships and print, that’s it. They have no concern, nor any staff, to accommodate a real magazine. Their Managing Editor is not technically a managing editor in the true sense of the word. They edit nothing. It’s title only to impress readers and future APs. What’s printed is what is submitted and never goes through a trained proofreader or trained copy editor — only people who check for accuracy against submitted copy. Once in awhile you get a proofreader who knows their stuff but that does not say much.

As for APs, those who sell more are appreciated more. I can understand that, but one BIG mistake you’re making is calling this a franchise. **NEVER** use that word. It is a distributorship. If it were a franchise things would be different. It’s laughable but I was once told that if it were a franchise Jim Buerger would have to control everything in each office, down to the uniforms and the color paint. And he doesn’t want that kind of control. How stupid did they think we were!! They didn’t call it a franchise because they did not want to disclose information, as has been said. I hate being played a fool. Just hate it.

Yes, you are probably on the shit list, no doubt. You’re questioning the authority and the structure. **NOBODY** does that! Just wait until the awards ceremony. You won’t even be thought of. The awards will go to Denver and Ft. Lauderdale and Branson — you know, the big issues and those who have made money and kept their m Follow

Oh the stories I could tell! Then you would know why I'm no longer there! I wish you luck on your issue, really I do. I just wish that you started your own with your own title. Travelhost has absolutely no market value and very little name recognition. Believe me, I know."

Former Employee

My response to this person:

* bdhickey Says:

Hello, and thank you for your response. Much like the AP's in this Travelhost network, the employees at HQ are treated with little respect either. Since Jim Buerger likes to control the business like a Nazi dictator, I can't imagine how much fun it must be to work there. I'm assuming you weren't aware of this system, because they only let the "higher level execs" who are part of the scheme in on this info. It's a shame, really...because this business could be so much more, if they utilized the tremendous talent of their employees and associate publishers.

Travelhost is most definitely a franchise, when you consider the criteria. And, the threshold is actually quite low, so they're fooling themselves if they think it's not, in my opinion (and the opinion of many others who are a hell of a lot smarter than me.) You and everyone that worked down there at TH HQ were trained from day one, not to use certain words or phrases that might point to this. I'm sure you, in whatever capacity you worked there, were largely unaware of the fraud taking place every day...but you may have had an idea. Just no one talked about it.

Well, I'm talking about it...and no one seems to be arguing with me.

I have yet to receive **ONE** drop of evidence from **ANYONE**, including TH HQ, that anything in my blog or website is **FALSE**.

Good luck in your new venture, and in your career. I'm sure you'll go a lot farther, and be a lot happier, now that you're working for a **REAL** publisher!

Brian

AKA "The Publisher's Advocate"

Former Employee Says:

Thank you for your response.

My job at Travelhost included work in production and working with APs and future APs. I knew many of them personally after the years and was always struck with their sincerity and desire just to make it — for the most part. I helped to prepare for conventions and attended them, taught TIPS class, sat in on endless meetings in both middle management, sales and many with Jim Buerger himself. Strangely, after ten years of employment I was still not aware of the fraud. I heard bits and pieces about it by "disgruntled former APs" but marked it up as sour grapes.

Yes, Buerger does run the office like a Nazi dictator, and is proud of it. It's miserable working there for the most part. The older employees rush around from desk to desk and he nears the production end of the plant saying "Mr. Buerger is coming! Mr. Buerger is coming" which sets off a flurry of activity of cleaning off one's desk, hiding drinks and sitting up straight. One former employee who worked there well over twenty years, now retired, would actually run to her desk and apply her lipstick and brush her hair and end of gushing over the man. It was pathetic.

But the most important thing is that the truth come out in the business plan, and that new APs coming in are aware of it. Yes, there is money to be made if done correctly, as many APs do, but the devil is certainly in the details here and are worth pointing out.

Their corporate attorney, John Price, is on staff to be sure every i is dotted and every t crossed, and I'm sure he keeps up with every posting you have. I do find it interesting that they never challenge what you've written. The truth is never slanderous, as they say.

Former Employee

You are absolutely right on the money in everything I've read, and I have gone through every entry of your blog. It's funny because I was talking about this with a friend of mine earlier today who was familiar with my experience with TH and I said I'm glad an AP finally has the balls to finally stand up to Buerger! It's refreshing. Too many people around Buerger are nothing but sycophants and he tolerates nothing but yes-men (and women). He has an enormous ego as many people do, but unfortunately it has clouded his judgment.

As for them making money on the selling of markets over and over, it's very true. In fact I once asked one of the salesmen, about the fact that the markets just don't get off the ground, especially in smaller cities, and he just simply shrugged and said, "I'll just sell it again!" I could imagine he wanted it to fail, as this was his bread and butter. That was my very first tip that something was amiss.

The APs are really in a very sensitive position. They buy in on all the good reports of Ft. Lauderdale, Denver, Branson, Key West, and so on, hand over their life savings, in many cases, then suddenly realize what they've got.. I can only imagine the near-terror in their mind once they realize they've purchased an inferior "franchise" (and I can now use that word) and then realize how much money they must sink into this month after month. I remember one lady in particular from, I believe, the Hill Country around Austin. She was a wonderful lady; young and full of ambition and connections. I talked to her and she told me she had, full of fear, handed over her only savings and was so excited to put this issue together. She had a very hard time selling and I believe put out a few issues but if I remember correctly, did not last. Indeed, she should have done her homework, but back then there was no real information on the internet and no way I could warn her, even secretly. I did feel bad for her because I knew her chances were slim..

Now I do remember in one board meeting, one AP made the comment to Buerger that she wanted to somehow tell new incoming APs about the expenses that were above and beyond the token \$40,000 they paid up front. I heard this from another employee, and she said Buerger shut her down flat. That idea would not fly...This AP is a tough bird, I'll tell you; I know her personally, and it's a difficult thing to shut her down. But he was having none of that. Why? You and I know that no AP would buy into this plan if they knew every detail of what was ahead. Now I understand this instance is hear- say, but this employee was noted for talking and giving details. I believe the story is true.

Forgive me for going on and on, but I think of things you may want to know. I do remember also, sometime in the earlier 2000s (or zero years) that from one point of time to that same point of time a year later every new market they had achieved they had lost. Every single one. Buerger then changed things by coming up with bi-monthly issues. We pushed the APs to create theme pages which really did help quite a few of them get a better grasp on their editions. Detroit for one. That AP, a genuinely wonderful lady, had been publishing a very thin issue up until then until we designed theme pages and she went to town. It was nice, because for once Buerger realized he had to do something to make the magazines in the system successful enough to keep the presses running. They had plenty of turnover in the new markets, but suddenly the established editions were starting to fall. He even improved the paper and insisted that each issue be in full color from some that were black and white. I'll give Buerger that one. But I couldn't help think as I sat in meeting after damned meeting about this "Why the hell didn't you think of this before now? I did!" But I didn't say anything. Now I don't know how well this has helped markets since but for a time it did boost the bottom line of these APs and they were able to print bigger magazine with "plop factor" as Buerger called it.

Follow

You are correct, Dallas has its own publisher. For some time Dallas did not have an edition at all. Sherry Buerger-Carr, Buerger's daughter and VP, I'm sure you've met her, took it over and various people in the plant created a rather nice looking edition. Buerger was embarrassed that his own city did not have a presence. But they built it up to sell it, which they did and it's still quite nice looking but smaller than what it was. Dallas has a lot of competition and with what the current AP has I think she's doing pretty good.

Please use any information I pass along as you like. I appreciate your willingness not to include my own personal information. There were several people over the years that tried to stir up the network with the truth and Buerger and HQ were quite successful in making them look like crooks. Once such incident was someone published a publication called GhostPost, which took its name from the internal publication they used to do called HostPost. The people who published it did make some headway but they soon gave up. Now you have something much more powerful with the internet, and I'm happy to see it. Please know that if I can be of further assistance please let me know.

End of "former employee" exchange

Posted in [The Travelhost Information You Need To Know](#) | [Leave a Comment »](#)

[Travelhost Responds To The Ripoff Report...](#)

January 9, 2010

Travelhost finally responded to my posting on RipoffReport.com, with more lies and misleading words. They seem to be on free-flow down there in Dallas, as lies are just about all they're good at. In an effort to show that I'm completely transparent here, i'm providing a link to Travelhost's rebuttal to my post, even though they seemingly "rip me a new one." Take a look:

<http://www.ripoffreport.com/Newspapers-Magazines/Travelhost-Magazine/Travelhost-Magazine-Travelhost-FA5A9.htm>

They seem to think that since I didn't buy my franchise **directly** from them, all the **fraud** doesn't count! And, they want people to think that I am trying to "**extort**" money from them, just because I'm exposing their fraud. (Seems as if telling people about my bad experiences, and the bad experiences of many others bothers them. Isn't that too bad.)

I stated my "goal" on my blog and on my site from day one, and I'm going to repeat it one more time:

I'm here to expose Travelhost for who they are, in order to help people make the right decision.

Those who choose to believe me, can...and those who don't, that's fine too.

Yes, I'm upset that I was scammed, mislead, and my business was destroyed. Of course I'm upset. I am entitled to be upset, and I'm entitled to tell people about it. Period.

Their rebuttal on the Ripoff Report was all about **ME** and **MY** motives. That's fine, I can handle the false allegations.

But how about the truth, Travelhost?

Why does the truth hurt so badly?

Why don't you just tell everyone how great Travelhost is, instead of attacking me?

Why?

Because there's nothing good to say, is there? It's easier to blame Brian Hickey for griping about his bad experiences, than to **MAKE THE BUSINESS MODEL WORK RIGHT**.

I failed to see one fact about Travelhost in that rebuttal that convinces me it's a good business opportunity.

I do, however, have a never ending supply of information proving otherwise...

Next week, we'll explore some "Travelhost Love," and expose some info from a former employee...interesting stuff!

Posted in [The Travelhost Information You Need To Know](#) | [Leave a Comment »](#)

[Some Travelhost New Year Resolutions For 2010?](#)

January 3, 2010

Happy New Year Everyone, and welcome to 2010!

I hope that everyone had a happy, healthy, and safe holiday season. I did, and I'm very thankful to have survived it all. *I'm also very optimistic about 2010, and have spent the majority of the holidays preparing for the new year.*

That being said, I've prepared a relatively simple wish-list for Travelhost, for 2010.

If Travelhost really cares about it's Associate Publisher Network, which you would think they should, especially since **THEIR** business depends on **OURS**...then they'd be happy to see that these changes are very simple, yet profound.

Taken from basic business practices, and from hours of discussions with my associates in the Travelhost network, *whose names remain anonymous due to fear of retaliation from Travelhost*, these ideas could catapult Travelhost into the information age (and tremendous profitability!)

If Travelhost ignores these important changes, they are sure to suffer from their old system yet another year. And, sadly, I believe Travelhost *will* ignore this opportunity to change for a few reasons:

1. Travelhost has been operating the same way for over 42 years, and change is seemingly difficult. *Even if its the right thing to do, Jim Buerger won't allow it.*
2. Travelhost has made way *too much* money by over-leveraging it's Associate Publishers over the years. **Millions of dollars per year**. And, quite frankly, these new ideas leverage **solid business principles**, (instead of AP's) that will in turn make money from **ADVERTISING**, not **PRINTING**. Travelhost has to change from t

Follow

printing mindset to an **ad-sales** mindset. And that will be tough for them, but I know they could do it!

3. **Fear of retaliation from Travelhost Inc.** Travelhost has developed a network of smart, energetic, and capable associates that have been...for lack of better terms...beaten into submission by corporate bullying and strong-arming. Most people in our AP network don't speak up, because they are fearful of what Travelhost might do to them.

Our network needs to realize that:

A. Travelhost is their **BUSINESS PARTNER**, (not a Nazi dictatorship?) and

B. The AP's money has *funded* this business for the last 42 years!

The people who bring home the bacon ought to have a say in what goes on in the Travelhost Network, no?

I'm afraid, because of these three main issues, 2010 will bring the status quo...and yet another year where Travelhost fails to grow the business.

It's my belief, that with the five changes below, Travelhost can become a thriving business in a short amount of time. A business that makes its money from paid advertising. Advertisers will flock to Travelhost magazine, when it can be found in 300 markets, with penetration in every corner of our country! And, associate publishers (and Travelhost) will all be profitable. A win-win for everyone!

Without further ado, if I ever had the chairman's ear for just a few minutes....here would be my proposed New Year resolutions (wish list) for Travelhost for 2010:

1. TH immediately starts charging fair "actual wholesale" printing prices to everyone in the AP network. TH would charge what every other printing/production house would charge. (About **HALF** of what they're charging now.) TH will then collect royalties as a percentage of gross sales. If TH has to trash the old printing presses they have right now, and sub it out...so be it! It may be more profitable for all of us that way.

2. TH allows AP's to be flexible with: frequency, page count, pressrun, quality and product. TH should allow the AP to improve the product, according to their local market's demand. Each market is different, and a "one size fits all" concept just doesn't work. (NY and VT are two different states, with two very different needs.)

3. TH allows the AB to have voting rights for executive decisions. TH needs to utilize resources better, by leveraging our people. TH has a network of very smart entrepreneurs, and needs a valuable liason between TH HQ and the AP network. (an AB with an *actual say* in the business, not what we have now.)

4. TH stops misrepresenting itself, and starts disclosing the facts to prospective franchisees. With some fine-tuning, this business will thrive even better than it did before (300+AP's?). In 18 months, TH starts following franchise-like obligations, like disclosure of the *new* success rate.

5. TH finishes the website and does not charge the AP network for use of the site at all. Furthermore, the site **belongs to the network**. Our money funded it, our information (and labor) populates it's fields, and our business depends on it's success.

There you have it folks. Could this be the beginning of a new era for Travelhost?

I'm not so sure, but one could only hope.

Posted in [The Travelhost Information You Need To Know](#) | [Leave a Comment »](#)

Does This Story Sound Familiar To Anyone?

January 1, 2010

Hello Everyone, happy new year!

I stumbled upon this article (below) on the internet earlier, from this web address:

<http://openjurist.org/813/f2d/689/zar-v-omni-industries-inc>

It seems as if this story, of a husband and wife, is a very familiar one. Even though it occurred over thirty years ago, it continues to happen the same way today.

42 years in business. Same plan, same story.

Now if you read this article to the end, Travelhost prevailed in this case. They've got a lot of experience at this. Sad, but true.

If you can relate to this story in any way, please email [The Publisher's Advocate](#) and let us know. I've received so many messages from people out there, and hope to continue to try and help.

813 F2d 689 **Zar v. Omni Industries Inc**

813 F.2d 689

James and Betty ZAR, Plaintiffs-Appellants,
v.
OMNI INDUSTRIES, INC., Defendant-Appellee.

Follow

No. 86-1176.

United States Court of Appeals,
Fifth Circuit.

April 1, 1987.

W. Randolph Elliott, Pullman & Schendle, Dallas, Tex., for plaintiffs-appellants.

John A. Price, Greg Sivinski, Winstead, McGuire Sechrest & Trimble, Dallas, Tex., for defendant-appellee.

Appeal from the United States District Court for the Northern District of Texas.

Before VAN GRAAFEILAND,* HIGGINBOTHAM, and JONES, Circuit Judges.

EDITH H. JONES, Circuit Judge:

1

In this diversity action, Plaintiffs-Appellants, James and Betty Zar (“the Zars”) challenge the district court’s directed verdict against them on their claims of misrepresentation and wrongful termination of their distributorship rights. We affirm.

I. BACKGROUND

2

Appellee Omni Industries, Inc., now known as Travelhost Magazine, Inc. (“Travelhost”), publishes and produces a “travelers’ magazine” containing information on local lodging, restaurants, entertainment, TV schedules, and similar information of interest to the traveler. Travelhost distributes the magazine through a system of local distributors, who are in charge of selling local and national advertisements in the magazine and distributing the magazine, free of charge, to area lodgings. The local distributor is contractually obligated to purchase a certain minimum number of magazines each week or month from Travelhost, and receives a percentage of the advertising revenue generated from his advertising sales and his local edition of the magazine.

3

In early 1977, the Zars became interested in purchasing the Travelhost distributorship for part of the state of Colorado from J. Elliot Knoll, who at that time held the distribution rights for the entire state. Negotiations culminated in a March 21, 1977 assignment to the Zars of Knoll’s Distribution Agreement for the state of Colorado, excepting the Denver metropolitan area (the “Colorado Springs edition”). In September 1977, the Zars purchased Knoll’s rights in the Denver metropolitan area as well (the “Denver edition”), thus giving them exclusive distribution rights for the state of Colorado.

4

In the course of their initial negotiations with Knoll, the Zars received “Travelhost Distributor Information” and “Travelhost Profit Projection” booklets, which contained various estimates of profits possible from a distributorship. After signing the March 21, 1977 assignment of Knoll’s rights and paying \$6,000 of the \$22,500 purchase price, the Zars met with Travelhost executives, at which time they received additional materials containing the same profit projections. The Zars also claim that Travelhost executives represented that the Zars’ share of national advertising revenue (i.e., those advertisements appearing in Travelhost magazines nationwide) would be enough to cover the costs of buying the magazines, and that only one Travelhost distributorship had failed in the past.

5

Unfortunately, the venture was not as successful as the Zars had hoped. Although they combined their editions to produce one magazine for the entire state, the Zars received less than \$4,000 in national advertising revenue while paying over \$100,000 for magazines. The Zars suffered a total net operating loss of approximately \$8,000 for the first three years of operation, as opposed to the minimum annual profit of \$45,000 they claim Travelhost represented they would make. Additionally, the Zars claim that there was a yearly turnover rate of 30% of Travelhost distributorships, as opposed to Travelhost’s claim that only one distributor had failed.

6

In 1979, Mr. Knoll filed suit in Colorado state court to recover amounts owed from the sale of the Denver distributorship. In response, the Zars counterclaimed for fraudulent misrepresentation and breach of contract in the sale of the Denver edition, claiming that Knoll had misrepresented the number of advertisements and the amounts of revenue under contract in the Denver edition. In April 1980, the state court held against the Zars on all claims and granted judgment for Knoll in the amount prayed for.

7

At about this time, a dispute between the Zars and Travelhost arose over the minimum number of magazines the Zars were required to purchase under the Distribution Agreements. In May 1980, Travelhost informed the Zars that they were in default of their Distributorship Agreements because they had not picked up or paid for the last three issues of the magazine, and gave them ten days to correct the default. The Zars did not correct the default, and Travelhost terminated the Zars’ distributorships on June 5, 1980.

8

The Zars filed suit against Travelhost in Colorado state court in November 1980, claiming wrongful termination of their distributorship, that Travelhost was responsible for Knoll’s misrepresentations, and that Travelhost itself had made material misrepresentations. Travelhost thereafter removed the case to federal court based on diversity of citizenship. In February 1981, the federal district court of the District of Colorado granted Travelhost’s Motion for a Change of Venue, and the case was transferred to the Northern District of Texas.

9

At trial, the district court granted Travelhost’s motion for a directed verdict on the wrongful termination and agency claims at the close of the plaintiffs’ case, and granted Travelhost’s motion for directed verdict on the remaining misrepresentation count at the close of the defendant’s case. The Zars now appeal.

II. DIRECTED VERDICT

A. Fraudulent Misrepresentation

10

Follow

The Zars allege that the profit projections contained in the Travelhost literature, along with the oral representations of Travelhost executives on the amount of national advertising revenue and the number of distributorship failures, fraudulently induced them to purchase the Colorado Springs and Denver distributorships. The district court granted Travelhost's motion for directed verdict on these claims on the grounds that (1) the profit projections were not affirmative representations as to profitability, (2) there was no affirmative representation as to the amounts of national advertising revenue, and (3) there was no evidence of misrepresentations made as to the number of prior failures, but even if such misrepresentations had been made, they were not made with the intent to deceive or induce the Zars to enter into the contracts. Furthermore, the court held that any misrepresentations by Travelhost could not have induced the Zars to purchase the Colorado Springs edition because the Zars had already entered into a binding contract to purchase it, and any issue of misrepresentation concerning the purchase of the Denver edition was collaterally estopped by the Colorado judgment in favor of [Knoll](#). We review the district court's directed verdict on the Zars' claims under the familiar standard set forth in *Boeing Co. v. Shipman*:

11

On motions for Directed Verdict and Judgment Notwithstanding the Verdict the court should consider all the evidence—not just the evidence that supports the non-movers case—but in the light and with all reasonable inferences most favorable to the party opposed to the motion. If the facts and inferences point so strongly and overwhelmingly in favor of one party that the court believes that reasonable men could not arrive at a contrary verdict, granting the motion is proper.

12

[411 F.2d 365](#), 374 (5th Cir.1969) (en banc).

13

The district court's view of the evidence before him has been confirmed by our perusal of the record. Despite their protestations to the contrary at trial, the Zars had committed to buy the Colorado Springs distributorship from [Knoll](#) and had paid him \$6,000 of the purchase price before they attended Travelhost's business training program in Dallas. Although the sales agreement required, as did [Knoll](#)'s distributorship agreement with Travelhost, the prior approval of Travelhost for an effective assignment, the applicable clauses further require that such approval shall not be unreasonably withheld. In any event, the Zars' execution and down payment on the contract bound them to its performance except in the event that the assignment was not approved. See generally Restatement (Second) of Contracts Sec. 230 (1981) (discussing the operation of conditions subsequent). Approval of the Zars as distributors was perfunctorily given at the outset of the Dallas training program. The Travelhost executives testified that the training program was designed only for actual distributors, not simply prospective purchasers. We therefore agree with the district court's conclusion that there could be no fraudulent inducement by Travelhost to enter a contract which had already been made by the Zars. See *Hazle v. McDonald*, 449 S.W.2d 343 (Tex.Civ.App.—Dallas 1969, no writ).

14

Alternatively, we also agree with the district court that the alleged statements of Travelhost could not constitute actionable misrepresentation as a matter of law. We examine each alleged misrepresentation in turn.

15

1. Profit Projections. The Travelhost profit projections purportedly relied on by the Zars nowhere guarantee or represent that a Travelhost distributor will make a certain level of profit or income. Rather, they show what income and expense levels can be expected based on several variables, such as magazine size or whether national ads are sold into 10 or 30 local magazines. Lest there be any misunderstanding, all such profit summaries and projections introduced in evidence contain the following italicized disclaimer: "The above are projected figures and in no way reflect a guarantee on the part of the company, nor do they act as a minimum sales requirement on the part of the Distributor." Mr. Zar is an experienced certified public accountant, and he and his wife and daughter testified that they knew these projections were ballpark figures and not guarantees.

16

The generally accepted rule in Texas jurisprudence is that future predictions and opinions, especially those regarding the future profitability of a business, cannot form a basis for fraud as a matter of law. *Maness v. Reese*, 489 S.W.2d 660, 663 (Tex.Civ.App.—Beaumont 1972, writ ref'd n.r.e.); *National Newspaper Enterprises, Inc. v. Chitwood*, 68 S.W.2d 264, 267 (Tex.Civ.App.—Dallas 1934, writ dismissed). As stated in *Lloyd v. Junkin*, 75 S.W.2d 712 (Tex.Civ.App.—Dallas 1934, no writ):

17

In order to effect a sale, induce the making of a contract, or place a proposed investment in a favorable light, it is quite common to make representations as to future value, productiveness, efficiency, or economy, or as to expected earnings or profits. But since that which lies in the future cannot be a matter of certain knowledge, it is held that all such representations must be taken and understood as mere expressions of opinion, and therefore their nonfulfillment cannot be treated as fraud.

18

Id. at 714.

19

Such is the case here. The profit projections estimated a distributor's potential advertising revenue and income, but because they projected and did not affirmatively promise, they were not fraudulent representations. The district court properly directed a verdict for Travelhost on this issue.

20

2. National Advertising Revenue. The Zars next claim that, while in Dallas, they were informed that their share of the national advertising revenues, as indicated on the profit projections, would be enough to cover the cost of the magazines. Travelhost executives deny making any such representation. The Zars contend that the district court erred in directing a verdict on this issue.

21

We disagree. The record demonstrates that any comparison of the cost of the magazines with the Zars' share of national advertising revenue would have been based on and in reference to Travelhost's profit projections. We have concluded that nothing in those projections could serve as the basis of an action for fraud. The projections, in fact, estimate a range of potential national advertising sales revenue starting at zero. Moreover, Mr. Zar admitted at trial that he never requested, nor was he shown any actual national advertising sales figures, and that Travelhost executives had not expressly told him that his share of the national revenues would be enough to cover the costs of the magazines. Assuming, *arguendo*, that Travelhost personnel made a representation apart from the profit projections that the national advertising revenues would cover the costs of the magazines, such a statement would have been, like the profit projections, a future prediction or opinion of future condition. As the statements in this record form the basis for a claim of fraud under Texas law, the district court properly directed a verdict on this issue.

22

Follow

3. Number of Failures. The Zars assert that during the Dallas meeting they inquired into the number of distributorships that had failed and were told that only one had. In fact, as Travelhost executives testified at trial, two or three and perhaps more distributorships had failed. The Zars assert that this statement is an actionable misrepresentation which should have been sent to the jury.

23

However, we are inclined to agree with the district court that even if such a misrepresentation was made, it could not have been made with the requisite intent to induce the Zars to do anything. At the time of the Dallas meeting, the Zars had not yet contemplated buying the Denver edition, hence the representation could not have been made with the intent to induce them to do so. Further, as noted above the Zars' contract with [Knoll](#) for the Colorado Springs edition was a fait accompli by that time, precluding any fraud recovery from Travelhost.¹B. Wrongful Termination

24

The Zars also allege that the district court erred in directing a verdict against them on the issue of wrongful termination. The Zars contend that Travelhost's position that the Zars were obligated to purchase 8,000 magazines per week (3,000 of the Colorado Springs edition and 5,000 of the Denver edition) constituted anticipatory repudiation of the distributorship agreements, and/or that Travelhost's termination of the distributorships was not based on any breach of the distributorship agreements, but was done so Travelhost could rid itself of irritating distributors and appropriate the Colorado market for itself.

25

These arguments are devoid of merit. Under the assignment of the Colorado Springs edition, the Zars were obligated to purchase 3,000 magazines each week. The Denver Distributorship Agreement required a minimum purchase of 5,000 magazines each week. The Zars testified that they combined the Denver and Colorado Springs editions into one magazine because they felt that it was more economical to deal with 8,000 copies of one magazine rather than two magazines.

26

When the Zars asserted, in early 1980, that they were required to purchase only 3,000 magazines, Travelhost responded that they must either purchase the 8,000 minimum or supply documentation to support the entitlement to fewer copies. Despite the Zars' failure to comply with these alternatives, Travelhost made a number of other offers, such as to provide the Zars with magazines at no charge for one year, in the hope of avoiding trouble. The Zars rejected all overtures. It was not until May 1980, after three shipments of magazines had literally been left sitting on shipping docks, that Travelhost exercised its contractual right to terminate the Zars' distributorships.

27

Nothing in the record supports the Zars' claims of anticipatory repudiation or ulterior motives in connection with their termination: on the contrary, the record indicates that Travelhost made numerous efforts to keep the Zars as distributors and ended the association only after the Zars refused to deal with Travelhost at all. As Travelhost did not breach the distributorship agreement, there was no fact issue on wrongful termination requiring resolution by the jury.

28

The judgment of the district court is AFFIRMED.

*

-

Circuit Judge of the Second Circuit, sitting by designation

1

-

As this disposes of this issue, we need not consider the Zars' contention that the district court improperly excluded evidence of a 30% rate of turnover in Travelhost distributors. Such evidence, even if probative of the falsity of the representation, would not have shown any intent to induce, and thus a directed verdict on this issue would have been necessary in any case

- [813 F.2d.](#)

THERE'S NOTHING WRONG WITH WHAT TRAVELHOST DOES I GUESS, EVEN THIS PARTICULAR FEDERAL JUDGE LET IT GO. NO ONE IS OUT THERE TO PROTECT INNOCENT PEOPLE FROM TRAVELHOST MAGAZINE!

THE PUBLISHER'S ADVOCATE HOPES TO HELP BY PROVIDING THE INFORMATION YOU NEED TO PROTECT YOURSELF.

Posted in [The Travelhost Litigation You Need To Know](#) | [Leave a Comment »](#)

• Email Subscription

Enter your email address to subscribe to this blog and receive notifications of new posts by email.

Join 28 other followers

Sign me up!

• Blogroll

- [WordPress.com](#)
- [WordPress.org](#)

• EMAIL THE PUBLISHERS ADVOCATE



Follow



Publishing Industry Practices

The Travelhost Magazine Business Opportunity Exposed...

Archive for February, 2010

The Survey Results That Travelhost Magazine Doesn't Want YOU To Know...

February 23, 2010

One week ago, I placed 10 simple survey questions on this blog, and the results are in.

You can still scroll down below this post to fill out the survey if you wish, as the results will continue to be calculated. However, after a week of exposure, I believe the results are *quite clear*.

I would like to personally thank all of the people who took the time to complete the survey, as your time is very valuable.

Taking the time to fill out the survey, and the answers that have been provided, have led me to certain conclusions and opinions that I will discuss below. In a nutshell, the results are exactly as I had thought all along, so **this survey adds validity to my blog posts over the last few months.**

Please keep in mind that the results acquired in this survey reflect the opinions of the people who took the survey. Not all people answered all questions, but we had nearly 300 people who visited the site in the last week, many who answered our survey. These people were not contacted, remain un-identified, and will continue to remain that way. This was an opportunity to participate anonymously, and was a success, in my opinion...especially for the first time out!

To start, 57% of the people who took the survey are current Travelhost Associate Publishers, 29% are past AP's, and 14% were people who were considering the Travelhost "Opportunity."

68% of these people believe that Travelhost is NOT an "ethical company," with 18% undecided, and a whopping 14% feeling that they *are* an ethical company. I didn't ask for anyone to justify this feeling, it was just a question of perception.

When asked whether people were told about Travelhost's success rate during initial discussions with HQ, 89% of people said they were told *nothing*. 11% say they were told what the success rate was, even though I didn't ask what they were told. I'm assuming these people may have been told how many people have tried the business in their particular market, not necessarily told that over-all **90% of people fail** in this business?

When asked specifically if anyone was told they could make 3 or 400k per year as an AP, 33% of people said YES. Another 38% said they did not remember the specific numbers, but were led to believe they could EASILY make A LOT of money as an AP. The other 29% of people who answered this survey said they were not told this information.

When asked if Travelhost informed them that they would be paying more than double what other publishers pay for printing and production as an AP, 95% of people said NO. Only 5% felt that Travelhost informed them that the publishing prices were as high as they are. Not one person said they didn't know, which was our third option, which leads me to believe that they were paying attention to the overhead costs portion of the deal!

When asked whether paying Travelhost an extra 30k per year was "worth it," 70% of respondents said NO. 20% were undecided, and 10% said they thought Travelhost was worth spending 30k per year on. Perhaps those people who own highly successful markets, billing out 500k per year plus feel this way, as they pay far less of a "royalty" to Travelhost as a percentage of their gross sales?

85% of people believe that this extra 30K per year on average paid to Travelhost is in fact a "royalty," and 15% of people do not believe it is. If it's not a royalty, I'm not sure what it is...perhaps just *overcharges*?

84% of the respondents felt that by becoming a Travelhost Associate Publisher, they would be successful because of the Travelhost business plan. 11% said they felt they would not be successful because of a Travelhost business plan, and 5% didn't know. So, it's clear that people knew that a *Travelhost business plan exists*, as most people in the survey felt that was their "formula for success." Obviously, Travelhost must not have told them that on average, 90% of people fail with the business plan or they would not have felt that way?

100% of people who took the survey said that Travelhost offered them a marketing plan! This is the one and only survey question that achieved 100% agreement. The only problem I see, is that on the second page of the Travelhost Distributorship Agreement, point #3 states:

Autonomy – Distributor shall at all times retain autonomy in its general business operations and sales practices. **No marketing plan, program or system is or shall be prescribed, suggested or recommended by Publisher, and Distributor agrees to be solely responsible for the selection and establishment of its own marketing plan, program or system for selling advertising for inclusion within the Publication, and for distribution of the Publication within the Designated Area.** Publisher has not offered to provide and is not required by the terms of this agreement to provide any significant training, advice or assistance to the Distributor. Publisher has not represented and does not represent that Distributor will earn or is likely to earn a profit.

This is straight from the AP agreement that Travelhost wrote. This also happens to be their biggest reason why they don't think they're a **FRANCHISE**. They say they have no "prescribed marketing plan," *yet 100% of the people who responded to this survey said they got marketing help!*

Here's another interesting survey question...**when asked if anyone had contacted Travelhost headquarters about a discount on publishing, 22% of people said that they were actually given a discount by Travelhost.**

However, 44% were told that Travelhost doesn't discount at all! And, the other 22% (part of the 66%, or 2/3 of the respondents) were told to just "go out and sell more ads!" (as if that wasn't the whole goal in the first place, why would someone NEED a discount if they were selling enough ads to begin with?)

Either way, why does Travelhost treat each associate publisher differently?

Why do they lie to 2/3 of the respondents, and give the other 1/3 a price break?

Finally, when asked if people were worried that the Travelhost executive staff has been cut nearly completely, 89% of people said that it worried them.

I agree with them.

The interesting thing is that 11% of people actually said they *didn't care* what was going on over at Travelhost HQ...even though their money is going to **FUND** what's going on at **HQ**!

I guess Travelhost has created what is perceived as a "quasi-government" situation, as most people just "pay the taxes" but don't *pay attention* to where the money goes? Or perhaps they only care about succeeding in their own market, and ignore the fact that the **NETWORK** is Travelhost's biggest asset?

In conclusion, a few things are obvious to me:

1. **Travelhost is a franchise** that offers a business plan, a trademark for royalties, and a prescribed marketing plan.
2. **Travelhost does not follow franchise rules.** By not disclosing pertinent info to prospective franchisees, they cause many people to make investments they would not have made if they knew the high failure rate.
3. **Travelhost has mislead investors, and has treated each associate publisher differently.** Some people get discounts, the rest get overcharged until they go broke. Then Travelhost goes out and sells the franchise to another unsuspecting investor. And the cycle continues.

It's as plain and simple as that. The rest, I leave up to your interpretation...but this is only the tip of the ice-burg. More surveys will follow, but for now, I leave you with one new survey question to ponder:

Would you be surprised to see Travelhost Magazine exposed on 60 Minutes or Dateline NBC?

☐ No, I would not be surprised. People need to know about this.

☐ Yes, I would be surprised. I don't think Travelhost is doing anything wrong.

☐ I would not be surprised at all. Furthermore, I would like to help prevent other people from getting hurt, and would be a part of the documentary.

Vote

[View Results](#) [Share This](#) [PollDaddy.com](#)

Posted in [The Travelhost Information You Need To Know, Uncategorized](#) | [1 Comment »](#)

[A Brief Survey For Current And Past Travelhost Associate Publishers...](#)

February 16, 2010

Hello everyone, thank you for your continued support!

We've had such a great number of followers at **The Publishers Advocate Blog**, and we were hoping to gain some insight as to how some of you feel about certain things I've been blogging about. Your opinions and input is valuable, and I'm hoping you'll consider participating.

I know most of you are hesitant about engaging in the conversation on this blog, *from fear of retaliation from Travelhost*. Here's an opportunity to respond **anonymously** to a set of questions, that would help me in understanding our readers better.

The Publisher's Advocate is here for everyone, and will continue to be here until the situation is solved. By answering the questions below, I will know if I'm on track with my priorities or not. Please take just a few moments to click on the answers that represent the way you feel.

There are ten basic questions to get us started. If we have good results, I'll propose another set of more specific questions in a few days. Please know that I will not know who you are if you answer the questions, I'll only know the results, which I will post with the next posting.

As always, thank you for your time...

Follow

Please comment on your status.

☐ I'm a current Associate Publisher

☐ I'm a past Associate Publisher

☐ I'm a prospective Associate Publisher

Vote

[View Results](#) [Polldaddy.com](#)

If you're a prospective Associate Publisher, please just answer the questions that make sense to you.

Do you feel that Travelhost is an ethical company?

☐ Yes

☐ No

☐ Undecided

Vote

[View Results](#) [Polldaddy.com](#)

By ethical, I mean do you perceive Travelhost to be operating by most business standards. AKA they tell you what you believe to be the truth, they treat all people the same, they treat all people fairly, and they follow the laws of the state in which you operate your business, as well as federal laws.

During your intital contact with Travelhost, were you ever told about their success rate?

☐ Yes

☐ No

Vote

[View Results](#) [Polldaddy.com](#)

Meaning, did they inform you that more than **90%** of people who have become an AP have failed?

Did anyone at Travelhost ever tell you that you can easily earn \$300,000-\$400,000 per year as an Associate Publisher?

☐ Yes

☐ No

☐ I don't know, but they led me to believe I could easily make a lot of money.

Vote

[View Results](#) [Polldaddy.com](#)

Meaning, did Travelhost make it sound like most AP's are easily making **six-figures** per year?

Follow

During any of your conversations with Travelhost HQ, did they ever inform you that their publishing prices were at least twice the amount of which you would pay

☐ Yes

☐ No

☐ I don't remember

Vote

[View Results](#) [Poll daddy.com](#)

Meaning, did Travelhost inform you that their publishing prices were higher than any independent places you could produce and print? With or without the absence of value.

Do you believe there is value in paying Travelhost about \$30,000 dollars extra per year in publishing rates?

☐ Yes, the brand is worth it.

☐ No, the brand is not worth it.

☐ I don't know, I'm undecided.

Vote

[View Results](#) [Poll daddy.com](#)

Meaning, do you feel that paying double (about 30k for most AP's) is worth the marketing and support that Travelhost does on a yearly basis. Keep in mind, Travelhost collects more than a **million dollars** per year on average in money "earmarked" for **marketing!**

Do you believe the extra money paid to Travelhost is a "royalty" for the ability to use the name brand?

☐ Yes

☐ No

Vote

[View Results](#) [Poll daddy.com](#)

Meaning, do you feel that the extra money paid to Travelhost is in lieu of paying royalties, like most franchises charge?

Did Travelhost inform you that as an Associate Publisher you were able to be successful because of their business plan?

☐ Yes

☐ No

☐ I don't know

Vote

[View Results](#) [Poll daddy.com](#)

Meaning, did you buy into Travelhost because you believed they had a successful business model? And you're intent was to follow this model, and be successful? [Follow](#)

other Travelhost AP's?"

During any of your contact with Travelhost, did they ever offer you help with how to market your business and sell advertising?

☐ Yes

☐ No

Vote

[View Results](#) [PollDaddy.com](#)

Meaning, did Travelhost tell you they offer a class called **TIPS** (typical industry practices) or offer to supply you with a market-prescribed plan for success in your specific market? (Roadmap to success?)

Have you ever asked anyone at Travelhost HQ about a discount on publishing prices?

☐ Yes, and they gave me a discount.

☐ No, they say they don't discount

☐ I did ask them, and they told me to just sell more ads

Vote

[View Results](#) [PollDaddy.com](#)

Meaning, did you ever have a problem paying the publishing prices, and call Travelhost HQ to ask for any type of help? Whether it be a discount on pricing, payment terms, or some type of concession.

Thank you very much for participating in the survey. I appreciate the time each and everyone spends reading the blog, and supporting what The Publisher's Advocate is trying to accomplish-**positive change at Travelhost Magazine.**

Change so that people aren't taken advantage of, and people are told what they're getting into when they invest in a **Travelhost franchise!**

P.S.

One last question, if you will...

Is anyone worried about why so many high-level executives were let go by Travelhost recently?

☐ No, they are just trying to save money

☐ Yes, I worry about who is driving the business in Dallas

☐ I don't care, they can do what they want down there, I'm doing just fine in my market

Vote

[View Results](#) [PollDaddy.com](#)

Posted in [The Travelhost Information You Need To Know](#), [Uncategorized](#) | [Leave a Comment »](#)

[**Some Comments From The Author, A Reader, And An Ex-Employee Of Travelhost Magazine...**](#)

February 12, 2010

First, a note from the author:

Follow

Dear Readers Of The Publishers Advocate,

Thank you for your attention, and for reading my blog. I want to thank each and every one who checks and reads this blog, especially those who comment on what's going on. I very much appreciate it! We now have hundreds of followers to the blog, and new contributors popping up from everywhere imaginable. I'm very thankful that many people have chosen to do the right thing, and report what they've seen and heard...and not just stand around and watch the crimes occur.

It's not the easiest thing to stand up for what you believe in, I know, but it's the right thing to do...we've helped so many people already! Keep the momentum going.

We've had some good comments at The Publishers Advocate Blog in the last couple of weeks, and I'd like to share them with everyone. They're on the blog, but comments seem to get buried under the postings, and the conversation is important enough to have it's own post.

The posts are from "An A.P. Teetering," and an "Ex-Employee" of Travelhost. I have not interjected into the conversation, yet they seem to see things the way I do. In fact, there are quite a few people who see things this way...they just haven't said so publically. **Yet.**

In due time, Travelhost will come to understand that there are many more people in support of change than they might think. Some people from within Travelhost, some AP's, and just about EVERYONE with a Travelhost past...the support is astounding!

Note: Travelhost, this problem is not going away until you *do something* about it!

Now, on with the comments (un-edited.) To Join the conversation, just click below...we'd love to hear from you!

Dear Travelhost,

It's time to take a hard look at your business model and ask yourself, Mr. Buerger, "Is it **REALLY** working?" Given that you've invested **OUR** hard-earned dollars in this internet project, have you given consideration to the fact that no one will care to use it if there isn't enough "market" information to make it worth looking at in the first place. Consider this, Joe wants to plan a trip to Los Angeles. He'll give that Travelhost site a try. Joe goes to the site and discovers there is no information for Los Angeles. Or New York City, or Chicago or Houston, the four largest cities in the country. Joe decides it's mediocre (or crap) and never returns and certainly doesn't recommend it to his friends or family. So much for that grand experiment. You missed your opportunity to make a great first impression. It's not enough for the website to look pretty it has to deliver the goods to the end-user.

Consider this business scenario. Travelhost decides it better serves its investors, the APs, and outsources the printing function. In fact, Travelhost is able to negotiate even lower rates because of the volume of publications. There's a reduction in corporate overhead and associated costs. Sorry to the production folks in Dallas but maybe the printer could hire you because of the increase in workload. Ahh, capitalism! Now the APs are finally on a level playing field with their local competitors. In fact, the AP's association with the Travelhost brand is now admired and desired! I can be more profitable as part of the TravelHost network! I will seek out a market and prosper! APs will be happy to share a portion of their revenues with Travelhost because corporate has indeed enhanced the value of their local business, the national brand shines and market growth booms!

More APs in more markets – do the math! – this is the key to the internet project's success. Based on what we know now, you need someone on the ground in that market to ensure (1) information about the market is loaded and accurately maintained and (2) the major cities and tourist destinations are represented to a potential trip planner online. Do you follow? Or maybe you don't, which only fuels other speculations.

You don't need a big staff in Dallas and, granted, I know you've let people go recently. And I must say your timing was priceless. You don't need to run a print shop, you need a strong IT staff who can keep up with the times in cyberspace. You need to have robust content to keep users coming back for more. I'm afraid you're still frightfully behind the competition and they're moving forward faster than you. We are all being left behind. Did you hear the collective sigh?

Let the local markets determine how to best represent their markets. Some markets will be sophisticated cities, some markets with a slower pace of life. There are different levels of expectations and we suffer on the sophistication end of the spectrum by using a cookie-cutter layout. Publishing a magazine is a creative process coupled with a business process. Let us create the best magazine we can for our market!

And, then, of course, it brings us to the covers. Another collective sigh? Let's be clear, Travelhost is the brand, not the cover artwork. Artwork changes, brands don't. Covers are the first impression, covers make you want to open the magazine to learn more. Sadly, a cover of a pear, a mask and boa, or a man's tie begs no questions. They're **BORING!**

Advisory board, hear our (diminishing) voices, make our wishes known, don't let our struggling network be ignored, don't let us down. Or better yet, refuse to be on the board because, quite frankly, its seems to be a waste of your time.

Mr. Buerger, you have some very smart people in your network, try listening for a change and you might, just might, learn you don't know everything, maybe there's a better way, you can still learn, too.

I think I hear Travelhost calling, "shut up and sell!"

Another day, another nickel.

(A Teetering A.P)

Confirming AP teetering's claim of "You just need to sell more." In a meeting many years ago one of us voiced a concern from an AP that the national pages, which they received very little if any revenue from, cost them a small fortune in shipping. A good concern, we thought. The response was shocking! The lady questioned exploded! "You just tell so-and-so to get out there and start selling more ads! They shouldn't be spending all their time worry about things like this!" That ended the questioning, as it was designed to do. I was observing this whole thing and my confused look got her attention but I decided to leave it alone. I knew many years before that that I was dealing with a well-oiled machine and the machine would not be tampered with. That question never came up again from any of us. Case closed.

And why do you pay more to print with Travelhost? It's simple. Headquarters believes that you are paying premium because you're paying a publishing price and not a printing price. (I will almost bet that your price quote for \$8000 does not include typesetting/layout/proofing — etc., all the things that go into getting to plates. I'm not sure it would double your price, though, but it might add to it a bit.) You're also, according to HQ, paying to be a part of the Nation's Number One Travel Publication. It's like selling a hamburger vs. selling a McDonald's hamburger — name recognition, high value, national exposure — the whole package that comes with the distributorship. While this may be true in theory the question is: Does the Travelhost name bring good value? In some parts of the country, it absolutely does, and in others, it does not. It is up to the AP to decide if it brings good value to them and if it is worth paying for.

So sorry to hear another AP is teetering. Very sad, really. This is really like watching a building crumble and fall. I hope the best for you.

(Former Employee)

Follow

Thank you, Former Employee, for your perspective. It's quite sad to hear this "well-oiled machine" has been handling the one group of people who are responsible for TravelHost's existence with such disrespect. The associate publishers have invested their hard-earned dollars to associate themselves with a national brand with a positive perception. As it seems, the national perception and reputation is being tarnished, barring a few select markets. If corporate actions devalue the brand name, do the APs have any recourse? Quite frankly, I don't think advertisers really care what name is on the cover – they care about the distribution and if the publication looks appealing. (and that's a topic for another time!)

As for the "publishing" discussion, I would argue TravelHost does not "publish" at all, just pre-press and printing. Having been in the newspaper business previously, publishing typically includes gathering content, selling space to advertisers, printing and distributing. TravelHost does not collect content for any of the local markets, nor does it sell advertising for local markets. And their distribution is limited to putting the magazines on a truck. The APs distribute. So I think they are a printer. Printers have pre-press departments that can provide proofs, make corrections, etc. I would also venture to guess that many/most associate publishers do not rely on TravelHost designers to design any of their ads. While a very likeable group, their talents are in production and not creative graphic design. Another argument for "printer". I would bet there are a few APs who use their own designer to lay out their publications and submit final packages to TravelHost for printing. So where is their discount for not using corporate for these services?

And, one step beyond, TravelHost recently announced that some APs have started using Publication Builder. No layout, no typesetting needed by TravelHost, the self-proclaimed "Publisher". Did those APs get a discount? It seems TravelHost's "publishing" days are drawing to a clear end, only to be left as a mere "printer". What then...

(A Teetering AP)

AP Teetering, you are absolutely right. In my previous post I was writing what I was told at Travelhost, that the AP's pay a publishing price not a printing price. The absence from actual publishing at TH was disappointing to many of us. The majority of work there is production. TH does provide the cover art (which I never actually cared for, as it rarely said anything about travel), the basic format (which is all right, I guess, but hardly cutting edge) but other than that the work printed is what has been sent in. Actually there is one market that I know of that does their own layout (which I won't mention who in case that's a no-no, and I would hate to cause any problems) and they actually tweek it from time to time and it comes out looking a bit better than the regular format. Many APs send in various pages from time to time, and a majority of ads are already done through ad agencies and the like, and ready to place on the page. As for a discount for them? You would think there should be one but I couldn't tell you that as I don't know.

Publication Builder sounds interesting but that must have been installed after I left. It's a good idea for them, as they can save a bundle on expensive staff salaries and benefits, but it does take away from the publishing, as you said.

I have never doubted that the folks at TH HQ have great respect for the APs, and I'm sure have great appreciation for you and your work. I have heard those high up many times say that the production staff need to continually strive to produce an excellent product as the AP's work very hard to sell each ad and keep their businesses going. I had tremendous respect for each AP I knew, and must confess was even a bit envious in their professional freedom. This is why the response to the comment about selling more ads that I mentioned in the previous post was disappointing to me, as I thought such a concern deserved a good answer, and perhaps even a simple solution. This cold response we received in the meeting that I mentioned was disrespectful to that AP but I don't want to give the impression that this was the norm. When it came to the day to day dealings with APs everyone from the top down strived to help and assist quickly and timely to nearly every concern.

I want to be careful in my postings that I share accurately what I witnessed at TH, both the good and the questionable. I respect Mr. Hickey's efforts on this blog to bring out the truth so some may avoid an investment that will not work for them, and I will chime in from time to time, but what I hope for is that all of this makes Travelhost better, not destroy it. I'm just hoping that it's not too late.

(A Former Employee)

End of "back and forth" comments.

P.S.

As you can see, the things I talk about in this blog, are the same things that go through the minds of not only other AP's...but **EMPLOYEES** of Travelhost too!

Speaking of employees, I have to wonder how guys like: Mr. Smith, Mr. Slabaugh and Mr. Thraill can all sleep at night, knowing they spend each and every waking day misleading hard-working entrepreneurs...taking their money, without disclosing the relevant information needed to make the right business decision?

Come-on gentleman, what are you thinking here? Is the money THAT GOOD?

Don't they have a conscience? Don't they know that as the "market expansion team," that they're the **main cogs** in Jim Buerger's "well oiled machine" that misleads **FRANCHISE** investors all over the country?

Don't they know they may be **PERSONALLY** liable for the very sales process they use every day, which seems to violate **EVERY FRANCHISE LAW** known to man-kind??

Well, they know now. Gentleman, check with your attorneys! Don't take my word for it.

I'm curious, how many AP's out there have been told that they can *easily* make 300-400,000 dollars per year as a Travelhost AP?

And, how many actually are?

I'd love to hear from some people...Click below to email me, names will be withheld to protect everyone from Travelhost retaliation.


[EMAIL THE PUBLISHER'S ADVOCATE](#)

Posted in [Some Unanswered Travelhost Questions](#) | [Leave a Comment »](#)

[A Congratulations Is In Order, And Then Another Notice...](#)

February 8, 2010

First off, I'd like to congratulate Dave Portener, Chief Marketing Officer of Travelhost, for promptly quitting his job last Friday after reading my blog post two days earlier

By abruptly quitting Travelhost as CMO last Friday, *before he accomplished anything he set out to do*, or telling us who his replacement is...Dave is (IMHO), with a  [Follow](#)

doubt feeling guilty for watching Travelhost defraud people for the last year and a half while he was CMO.

It seems rather obvious to me that David Portener is *denouncing* Travelhost for what they're doing!

Dave has taken the first step toward redemption, and limiting his jail time. He must have consulted an attorney, and I commend him for that...I'm sure it wasn't an easy step for him.

There is another problem, however, other than the people who are paid to work the Travelhost "scheme." These people apparently continue to "volunteer" to support the Travelhost fraud even after the "*cat has been let out of the bag.*"

Dear Travelhost Advisory Board members,

Don't you think that the Travelhost Advisory Board at this point is just putting a "**cloak of legitimacy**" on Jim Buerger's Travelhost swindle?

In my experience as a member of the Travelhost Advisory Board, it was a total waste of time listening to Jim Buerger's rambling about the same **B.S.** every time, so as to not even allow any real time for *meaningful discussion*. This must be continuing, or even worse now that Travelhost has no executive staff (with any real publishing experience) to talk at the meetings!

Guess what Travelhost Advisory Board members?

This "waste of time" *could* make you **personally liable** for the **Travelhost franchise violations**, and plain old **fraud** that is perpetrated on so many people that come in contact with this network!

Don't you think Buerger will point his finger at you when he goes down?

He'll probably say that you helped him, and encouraged him, and that it was all your fault!

If you don't think so, you better think again...we're talking about a guy who has been scamming for decades. *Wait until you read a future posting on his political career as a councilman and as a candidate for mayor in Dallas!*

The bottom line is you have been on an "Advisory Board," advising Jim Buerger on how to do business at Travelhost.

This can very easily translate to **personal** liability for you, and at worst, *Jim Buerger blaming it all on you.*

Your only defense previous to this information being made public:

"We didn't know what Buerger was doing, nor could we do anything about it."

Well, you all know what he is doing NOW! You know about the fraud, franchise violations, and overcharges.

Dave Portener seems to have figured it all out, finally, and he left...perhaps the Advisory Board ought to do the same?

In my opinion, you should all *leave the Advisory Board* and **WARN** new investors being *suckered* into taking over these Travelhost markets that have repeatedly failed because of Travelhost over-charges.

You should join Dave Portener in publically showing his disgust for what Travelhost is doing to it's AP's and prospective Franchisees.

(Hint to Dave and The AB...Don't sign one of Buerger's patented "Gag Agreements," so you continue to help him with this *scam.*)

Members of the Travelhost Advisory Board should either **force Travelhost to obey the law**, or you ought to **publicly quit**...because you too, can be held personally liable for what Travelhost is doing.

You've now been warned...TALK TO YOUR OWN ATTORNEYS! As usual, I only suggest that you look into this with your *own* lawyer. Don't take *my* word for it.

Note: Dave Portener took a critical first step toward exonerating himself by quitting last Friday. Hopefully his attorney will advise him to go public with the Travelhost Fraud as well...because by not warning people, he's just *furthering the cause*. *He's not off the hook just because he quit, he should now tell the world what's going on in Dallas!*

(The AB members might be safe to stay on the Advisory Board if you would be willing to force Travelhost to change...**NOW....not in 20 years**...which I bet is as long as Travelhost is willing to wait for this whole storm to clear up.)

And, it's also as long as this AP network is willing to fight Travelhost, until they finally do the right thing.

Godspeed...

THE PUBLISHERS ADVOCATE

P.S.

A note about the way I see things on The Travelhost Advisory Board:

Keep in mind that the Travelhost Advisory Board is constructed of what they perceive to be the most successful APs in the country. The Travelhost system was created so that the new people (who invest and go broke every year) **SUBSIDIZE** the people who are actually making money with the current business model.

Make no mistake, this is not capitalism at work here, it's Travelhost fraud. I guess you could call it a PONZI SCHEME of sorts...and they're not playing by the rules.

These AP's who are making a couple of bucks with this model seemingly have every reason to support the status quo, where Travelhost makes it's money by *churning and over-charging new APs*, rather than charging a royalty of 10% of ad revenues. (as Travelhost contractually has every right to do!)

Meaning, the AB members (and a few others) directly benefit from the way Travelhost does business, so they might not be so quick to want Travelhost to change. With a normal system in place, they would end up paying more in royalties!

Of course these people don't have much incentive to rock the boat...the scam works for them! But, does this stature make these Advisory Board members *more liable?*
Follow

How about their repeated testimonials that help Travelhost “sell” new markets to unsuspecting investors?

(Especially when they know that 90% of new AP’s **FAIL**, and Travelhost doesn’t disclose that?)

What about the AB members that were privy to the “satisfaction and financial survey” that the AB did a year ago? That survey had incredibly dismal results, yet they go on misleading potential investors with *testimonials*???

Travelhost Advisory Board members must know that they are unrepresentative of the AP network as a whole? No???

How can the AB members, and other people in the Testimonials, attach their name and face (and credibility) to the Travelhost business model, when they know that 90% of all new AP’s will be recruited without any kind of disclosure...and eventually go broke from overcharges? Why do you help Travelhost with the **FRAUD**?

Doesn’t anyone there have a conscience, or at least feel the obligation to report the “rape” that’s being committed?

Posted in [The Travelhost Litigation You Need To Know](#), [Uncategorized](#) | [1 Comment »](#)

[This Posting Is Dedicated To David Portener, Chief Marketing Officer Of Travelhost](#)

February 3, 2010

Dear Mr. CMO of Travelhost,

I’m no attorney, nor do I give legal advice, *but I don’t believe it’s necessary to be a lawyer in order to recognize fraud when you see it*. I suggest you and the other executives at Travelhost Magazine in Dallas pay close attention to this posting, because what I’m about to suggest could be vital to your careers and the way you spend the next few years of your lives.

Mr. Portener, your company violates franchise laws in 15 states, including the state of California where you operate Travelhost of Palm Springs. This violation is a felony in several of these states, and the law is *crystal clear* when it comes to identifying a business as a franchise. Travelhost meets these qualifications hands down, yet you do not follow the law requiring **disclosure** of failure rates for investors.

Why does Travelhost advertise itself as a franchise on the internet? And, why did Travelhost take down the internet ad on “Todaysbestfranchises.com” two days after I posted a link to it on my blog? Why do you continue to mislead people, Mr. CMO? Dave Portener, **YOU** as the **CMO** are responsible for this posting (and others like it) marketing **Travelhost as a franchise**:

www-todaysbestfranchises-com_FranchiseDetail-asp_2t3f3bmrv

If I were you, I would consult an attorney about the implications of your actions at Travelhost Magazine. Have the attorney read my blog posts about: fraud, deception, franchise laws, and non-disclosure. I also suggest your attorney reads Jeff Loudon’s blog from early 2009. I have a copy if you need one.

Dave, I wouldn’t consult your in-house attorney, because I don’t believe that he would give you the same advice that your own private attorney would. Mr. Price obviously believes that the way you operate Travelhost is completely lawful, or he would not be a part of the operation *at all*, as his bar affiliation relies on him following the law at all times.

Furthermore, you and Travelhost perpetrate fraud on investors, which is also punishable under state **AND** federal law. Dave, you and your “market expansion staff” will not be protected by the corporate veil that Jim Buerger and Mr. Price lead you to believe you’re protected by. You are liable **personally** for what you’re doing down there in Dallas, and you will likely be prosecuted for it this year. Though some current and past Travelhost employees can legitimately plead innocent, you Dave, can no longer plead ignorance to these laws. You know what you’re doing is wrong.

Dave, I’m surprised that you didn’t accomplish what you originally set out to do...change Travelhost for the better. You convinced everyone in the network that Travelhost needed to change in order to survive, and that you were the guy that could make it happen. We all believed in you. In reality, all you did was become Jim Buerger’s partner-in-crime. Now you’re just a liar and a thief.

Perhaps Jim Buerger would like to know how you REALLY feel about him, Dave?

Consider this your official notice that members the Travelhost network of associate publishers intend to hold you **personally** liable, and go find yourself **personal** counsel. Ask this person if they think you’re liable, you’ll be surprised at their answer. Or, maybe you won’t be...perhaps you realize that it’s only a matter of time before you’re prosecuted along with the rest of the brass at Travelhost HQ.

Good Luck,

THE PUBLISHER’S ADVOCATE

P.S.

For those who are interested in reporting Travelhost for *violating* your consumer rights, contact:

Richard Cleland
Bureau of Consumer Protection
202-326-3088

It won’t take long, I’m sure he’ll be familiar with your call. In the message you can say Travelhost has been ripping off people for decades, hiding their nearly 100% failure rate. They don’t comply with franchise laws, but they advertise themselves as a franchise. Proof is in the link above.

When this guy gets enough calls he’ll have to do something about it. And, so will Travelhost!

Posted in [The Travelhost Litigation You Need To Know](#), [Uncategorized](#) | [2 Comments »](#)

[The Travelhost Franchise Issue...Another Look.](#)

February 1, 2010

For those who are on the fence as to whether Travelhost is really a franchise or not, lets take a look at some compelling evidence. Take a look at this:

[Follow](#)

<http://www.todaysbestfranchises.com/FranchiseDetail.asp?action=1&aid=33&Franchise=TravelHost>

Todays Best Franchises? I thought Travelhost **WASN'T** a franchise? What's going on here?

(Here's the PDF, for when Travelhost deletes the advertisement...it's only a matter of time.)

www-todaysbestfranchises-com_FranchiseDetail-asp_2t3f3bmrv

Now let's take a look at the Travelhost website:

<http://www.travelhost.com/jsp/apfaq.jsp>

Q: Is the Travelhost relationship a franchise?

A: Travelhost is structured as a distributorship, rather than as a franchise. **Associate Publishers have the freedom to establish their own business and marketing plans,** time schedules and routines – yet operate in coordination with a strong national organization with an established track record. While the publication format, submission guidelines and non-local content are determined by Travelhost, the Distributor/AP is given wide latitude and autonomy over its business operations.

Travelhost's main defense has been that they don't have a "prescribed" marketing plan for their associate publishers. However, every AP leaves Travelhost HQ with a prescription for Travelhost success! (and it still fails 90% of the time, but its not the prescription that's bad, it's their pricing...)

All APs leave the Travelhost "TIPS" (Typical Industry Practices) with a specific plan of what they need to do to be successful.

It details the number of calls they need to make, setting up a distribution plan, etc. For instance, my plan would be called "The Travelhost of Westchester Plan." *It is very specific!*

Travelhost also has two other market documents...the **"Blueprint for Success"** and **"The Roadmap to Success."**

All three of these documents are *clearly prescribed market plans* for each market, and are regularly followed up on by the Market Development Department.

Dave Portener actually just did a webinar on "How to be a successful AP." It can't get any clearer than that folks.

It's recorded and posted on the AP site!

Now...sometimes I get people that still ask me why it's important to recognize that Travelhost is a franchise. Well, there are a few good reasons:

1. It's the **LAW**.
2. The **LAW** requires franchises to **DISCLOSE** their **FAILURE RATE**.
3. Had any of us **KNOWN** the failure rate **BEFORE** we invested or bought into the "Travelhost business model," we likely would **NOT HAVE DONE IT**.

These laws are put in place to protect people like you and I from companies that mislead people.

When will Travelhost STOP breaking the law, and start being honest with investors?

Posted in [The Travelhost Information You Need To Know](#) | [5 Comments »](#)

• Email Subscription

Enter your email address to subscribe to this blog and receive notifications of new posts by email.

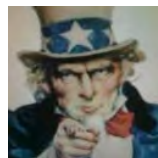
Join 28 other followers

Sign me up!

• Blogroll

- WordPress.com
- WordPress.org

• EMAIL THE PUBLISHERS ADVOCATE



MISSION: TO SERVE THE PUBLISHER

• BLOG STATS:

- 16,784 HITS

Follow



Publishing Industry Practices

The Travelhost Magazine Business Opportunity Exposed...

Archive for March, 2010

Travelhost Magazine Franchises That Died In 2009...A Virtual Memorial Part II

March 16, 2010

About the same time last year, Jeff Loudon posted a virtual memorial for the markets that died in 2008. He called these markets the "Living Dead." This is because even though the franchise had failed, the magazines were still available online at Travelhost.com.

To carry on this annual tradition, I've decided to post the markets that died in 2009.

This list may be incomplete, and is to the best of my knowledge correct. If I've made a mistake, please email me at the link to your right, and I'll either add or subtract a market from the list. These markets are in no specific order.

Perhaps, if you're a prospective Associate Publisher, for your due diligence you may want to contact a few of these people to talk about their experience with Travelhost? (Googling the market + Travelhost should get you the results needed.)

Dead markets for 2009: Rest In Peace...

Evansville, IN

Monterey, CA.

Baton Rouge, LA.

San Luis Obispo, CA.

Cincinnati, OH.

Charlottesville, VA.

Gainesville, FL.

Rockford, IL.

South Bend, IN.

Lafayette, IN.

New Hampshire

Ann Arbor, MI.

Charlotte, NC.

Knoxville, TN.

Rochester, MN.

Waco, TX.

Westchester, NY.

Orange County, CA.

Houston, TX.

Minneapolis, MN.

Bloomington, IN.

Santa Barbara, CA.

Long Beach, CA.

Modesto, CA.

Boston, MA.

D.C.

Atlanta, GA.

Puerto Rico

Hawaii

Ogden, UT.

Kansas City, MO.

Bend, OR.

Ruidoso, NM.

San Diego North, CA.

Sioux Falls, SD.

Stockton, CA.

Toronto, Canada.

Chicago, IL.

Please keep in mind, every one of the entrepreneurs who ran a Travelhost franchise were **hand-picked** by Travelhost to be successful. These people were all hard-working, smart, creative people with a business background. So, I leave my readers with one question today:

Why did all of these hard-working entrepreneurs, who represent nearly half of the current Travelhost network, fail?

(Please keep in mind, these people were hand-picked by Travelhost.)

Posted in [Uncategorized](#) | [25 Comments »](#)

• Email Subscription

Enter your email address to subscribe to this blog and receive notifications of new posts by email.

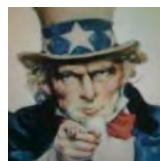
Join 28 other followers

Sign me up!

• Blogroll

- [WordPress.com](#)
- [WordPress.org](#)

• EMAIL THE PUBLISHERS ADVOCATE



MISSION: TO SERVE THE PUBLISHER

• BLOG STATS:

- 16,784 HITS

• Save Yourself Some Time:

search this site

• Areas of Due Diligence for Travelhost

Select Month

• Comments From Readers

Follow